

# STATUS OF COVID-19 EVICTION PROTECTIONS

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AS OF JULY 20, 2021



# RESIDENTIAL AND COMMERCIAL EVICTION MORATORIA

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- Executive Order N-28-20 Expires on September 30, 2021
- Suspended laws which would have preempted or restricted local governments' efforts to impose substantive limitations on residential or commercial evictions.

# RESIDENTIAL EVICTION BAN

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- Monrovia adopted a residential eviction moratorium on March 31, 2020.
- Prohibits evictions of residential tenants for non-payment of rent due to COVID-19 financial hardships.
- Does not permit “no fault” evictions
- Rent is not forgiven – it must be paid in full within 6 months following the end of the local emergency or the termination of the moratorium, whichever is earlier.
- The ordinance has not been changed since adoption

# RESIDENTIAL EVICTION BAN

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- State and Federal Actions on Residential Evictions
- Governor Newsom and the Judicial Council have adopted various actions to delay eviction and foreclosure proceedings
- The Legislature has adopted and extended several renter protection laws
- The CDC adopted a federal eviction moratorium that likely does not apply in Monrovia, which has more robust protections for tenants

# RESIDENTIAL EVICTION BAN

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- AB 832 – Signed June 28, 2021
- Extends statewide protections against evictions for residential tenants who have been financially impacted by COVID-19
- Modifies local residential eviction bans
  - Repayment period must START no later than May 1, 2022 and end by May 31, 2023
  - For rent that came due between March 1, 2020 and September 30, 2021
- NEW local eviction bans, extensions, etc., cannot take effect until April 1, 2022
- Expands and establishes new rules for the rental assistance fund, including 100% payment for qualifying renters
- Tenants must continue to pay at least 25% of the rent due

# RESIDENTIAL EVICTION BAN

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- What does it all mean for the residential eviction moratorium?
- The landscape changes as of September 30, 2021
  - There is an argument that general law cities are preempted from maintaining a residential eviction moratorium
    - We believe it is more likely a court would hold that protecting people from homelessness is within the City's police power to protect health and safety in an emergency and **not** preempted.
  - The intent of the Legislature, cooperating with landlord groups, is to establish uniform time periods and processes across the state
  - With available rental assistance for qualified tenants, the risk of eviction for non-payment for many tenants should be reduced
  - There could be substantial confusion for tenants due to variations between state, federal and local protections

# RESIDENTIAL EVICTION BAN - OPTIONS

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- Leave the protections in place and continue to monitor tenant and landlord needs
- Repeal the moratorium and rely on State and County protections
- Amend the ordinance
- Provide further direction to staff

# COMMERCIAL EVICTION BAN

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- Monrovia adopted a commercial eviction moratorium on April 7, 2020.
- Prohibits evictions of commercial tenants for non-payment of rent due to COVID-19 hardships
- Applies to all businesses
- Rent is not forgiven – it must be paid in full within 6 months following the end of the local emergency or the termination of the moratorium, whichever is earlier.
- The ordinance has not been changed



# COMMERCIAL EVICTION BAN

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- Los Angeles County issued residential and commercial eviction moratoria orders March 19, 2020
- L.A. County orders have evolved and been extended over time
- Currently set to expire September 30, 2021
- L.A. County has taken the position that its commercial eviction moratorium applies county-wide, even in incorporated cities
- L.A. County does not protect tenants with more than 100 employees, or that are multi-national or publicly traded corporations
- L.A. County has provided a tiered set of deadlines for rent repayment.
  - 9 or fewer employees: 12 months from the expiration of the moratorium period
  - 10-100 employees: 6 months from the expiration of the moratorium period, paid in equal installments unless tenant and landlord agree otherwise

# COMMERCIAL EVICTION BAN

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- What does it all mean for the commercial eviction moratorium?
- The landscape changes as of September 30, 2021
  - There is an argument that general law cities are preempted from maintaining a commercial eviction moratorium
  - Small businesses are probably more protected under the County moratorium, which provides 12 months to pay back rent
    - A landlord might argue that the City's shorter period applies
  - Unless the City keeps a local commercial eviction moratorium in place past September 30, 2021, larger businesses have the same six months to pay
  - Largest businesses are not protected by the County ordinance
  - To reduce confusion and complication, the City could let the County moratorium control going forward

# COMMERCIAL EVICTION BAN - OPTIONS

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- Leave the protections in place and continue to monitor tenant and landlord needs
- Repeal the moratorium and rely on County protections
- Amend the ordinance
- Provide further direction to staff