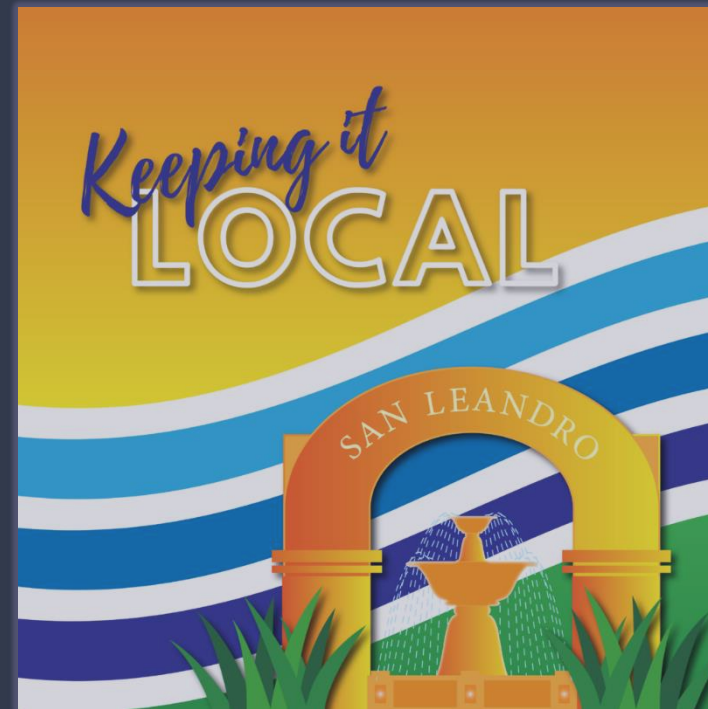




COVID-19 RECOVERY – COMMERCIAL EVICTION MORATORIUM



September 7, 2021

City Council Meeting

Recommendation



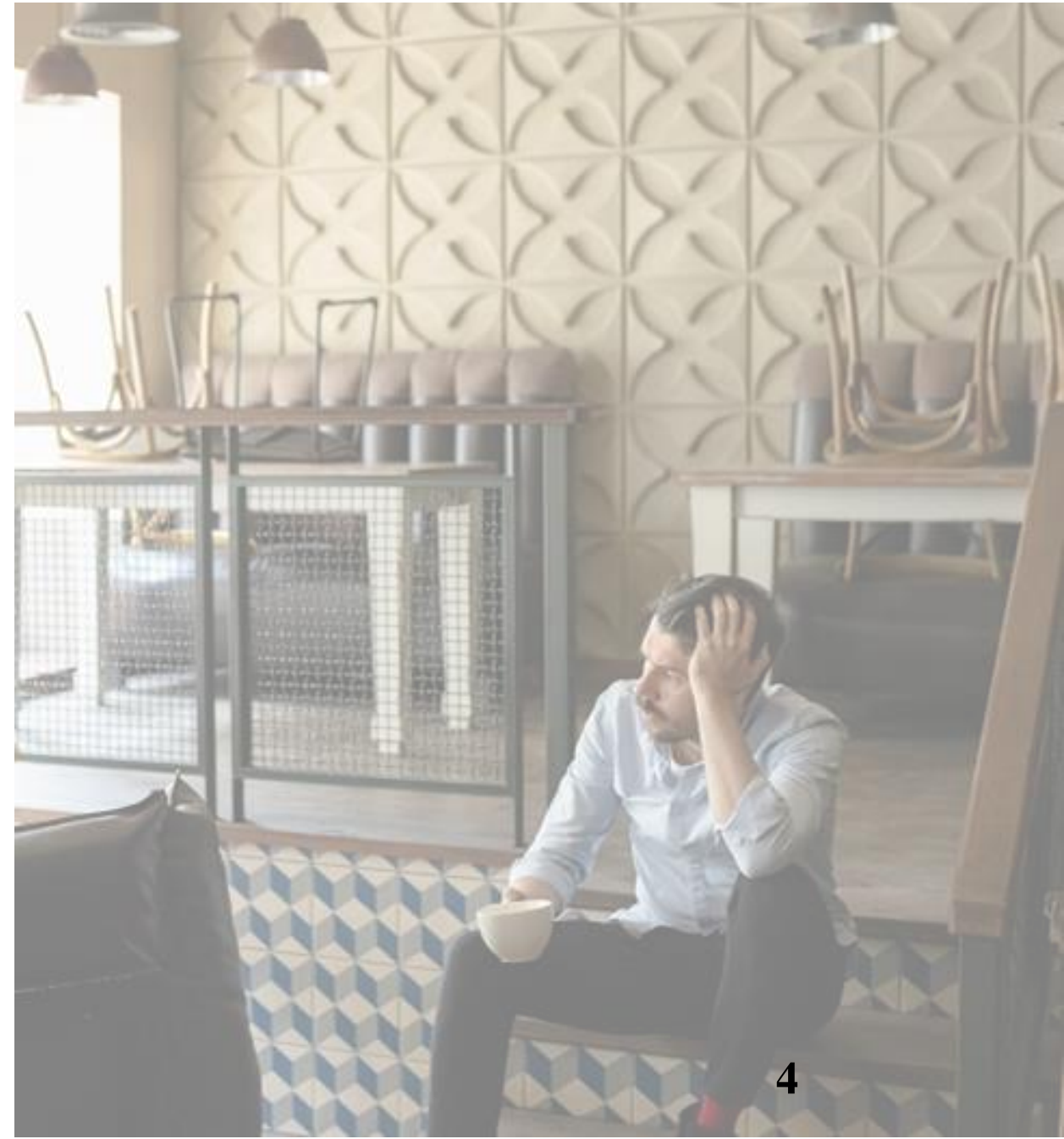
Approve and Adopt an Urgency Ordinance to
Align the Date of the San Leandro Commercial Eviction Moratorium
with the State of California Commercial Eviction Moratorium,
set to End on September 30, 2021

Eviction Moratorium Background

- March 23, 2020 – Ord. 2020-003 – San Leandro Eviction Moratorium
 - Applies to residential and commercial tenants and mobilehome owners
 - Assist businesses during difficult times & avoid unnecessary business closures
- June 11, 2021 - CA Exec. Order N-07-21 – End of Shelter in Place/Biz. Restrictions
- June 11, 2021 - CA Exec. Order N-08-21
 - In light of reduced case rates & increased vaccinations, certain protections allowed to expire
 - Authority for Local Eviction Moratoriums Extended Through September 30, 2021

Eviction Moratorium - Commercial

- Temporary moratorium on evictions for commercial tenants
 - where the failure to pay rent is from income loss resulting from COVID-19
- Tenants must notify landlord within 10 days after rent is due of inability to pay full rent because:
 - substantial decrease in business income
 - or increase in medical expenses
 - due to the pandemic and/or governmental response
- Must provide documentation to support the claim



Eviction Moratorium - Timing

- Align end date with State – September 30, 2021, or as otherwise extended
- Provide clear direction and certainty
 - ▣ Reduce confusion among tenants and landlords about timing and applicability of local moratorium
- Consistent with timing of commercial moratorium in other Bay Area municipalities, including those surrounding San Leandro, and unincorporated Alameda County.

Next Steps – Landlords & Tenants

Once the eviction moratorium expires, the following terms will apply:

- Rent Due - 120 days to repay pay due rent ('repayment period')
 - Additional 60 days, for a total of 180 days, if within 10 days after the repayment period, the tenant notifies the landlord in writing of tenant's inability to pay full rent due to COVID-related decrease in income
- Fees – Landlord may not charge or collect a late fee for rent that is delayed due to COVID-related income loss.
- Alternate Arrangements – Landlords and tenants may negotiate longer or more lenient payment agreements

Next Steps - City

- Notification – broad outreach to businesses and property owners
- Information – moratorium details, procedures to participate, tenant’s rights, etc.
- Assistance – connect businesses with free legal resources, webinars, etc.
- Resources – inform businesses of available funding and programs to assist in repaying rent, increasing customer base, marketing/online presence, and more.
- Develop Additional Resources – focused on those with highest need
 - ▣ Many business’ financial needs exceed available grants
 - ▣ Up to 25% of small businesses received no assistance
 - ▣ May Include: Rent Relief Grant, Website and other Technical Assistance, Shop Local Marketing