# March 26, 2019 Special Meeting Item # 2i

**Board Reports** 

Additional Documents: Amended Ordinance



#### **ORDINANCE NO. ORD20-02**

AN ORDINANCE OF THE MONO COUNTY BOARD OF SUPERVISORS ADDING CHAPTER 7.93 TO THE MONO COUNTY CODE TO PROHIBIT RESIDENTIAL OR COMMERCIAL EVICTIONS THROUGH MAY 31, 2020, ARISING FROM INCOME LOSS OR SUBSTANTIAL MEDICAL EXPENSES RELATED TO THE CORONA VIRUS PANDEMIC

WHEREAS, on March 4, 2020, Governor Newsom issued a Proclamation of a State of Emergency in the State of California related to the COVID-19 pandemic; and

WHEREAS, on March 15, 2020, the Mono County Health Officer declared a local health emergency related to the COVID-19 pandemic. The declaration was ratified by the Mono County Board of Supervisors on March 17, 2020, and the Board also declared a state of emergency under the California Emergency Services Act; and

WHEREAS, in light of the COVID-19 pandemic and the state of emergency proclamation, on March 16, 2020, the Governor issued Executive Order N-28-20, which order is attached hereto as Exhibit A and incorporated by this reference, suspending any provision of state law prohibiting local government from exercising its police power to impose substantive limitations on residential or commercial evictions; and

**WHEREAS**, on March 17, 2020, the Mono County Health Officer ordered the closure of all local bars, cessation of in-room dining in restaurants and a prohibition of non-essential public gatherings; and

WHEREAS, the COVID-19 pandemic and associated public health orders are expected to result in the closure of many local businesses until such time as these orders are lifted, and result in extreme restrictions on other local businesses until then, and possibly thereafter; and

WHEREAS, the COVID-19 pandemic and associated public health orders are expected to result in a severe loss of income to a widespread portion of the local population that depend on wages or business income to pay rent and result in substantial medical expenses for certain Mono County residents; and

WHEREAS, Mono County is experiencing a housing affordability crisis, which was driving displacement of residents even prior to the COVID-19 pandemic; and

WHEREAS, many Mono County renters are rent-burdened, paying large percentages of their income on rent, which leaves less money for families to spend on other necessities like food, healthcare, transportation, and education; and

WHEREAS, evictions due to the COVID-19 pandemic, if not protected against, present an immediate threat to the public peace, health and safety as described in Government Code section 25123(d) in that they will cause the displacement of residents and contribute to an ever increasing housing crisis; and

WHEREAS, the Board has determined that it is appropriate to temporarily prohibit evictions, through May 31, 2020, for any tenant (residential or commercial) who can demonstrate that they are being evicted for the failure to pay rent, and that such failure is a direct impact of the COVID-19 pandemic; and

WHEREAS, there is an urgent need for the County of Mono to enact such substantive limitations to protect the health, safety and welfare of its citizens in light of the emergency declared by the State and County regarding the COVID-19 pandemic.

**NOW, THEREFORE,** the Board of Supervisors of the County of Mono ordains that:

#### **SECTION I**

Chapter 7.93 is hereby added to the Mono County Code, to read as follows:

# Chapter 7.93 PROHIBITION ON EVICTIONS ARISING FROM SUBSTANTIAL INCOME LOSS OR MEDICAL EXPENSES RELATED TO THE CORONAVIRUS PANDEMIC

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7.93.010 Purpose.

7.93.020 Definitions.

7.93.030 Prohibition on evictions stemming from coronavirus pandemic losses.

7.93.040 Enforcement and Penalties.

7.93.050 Severability.

#### 7.93.010 Purpose.

Pursuant to the general police power of the County to protect the health, safety and welfare of its citizens, this chapter prohibits evictions through May 31, 2020, for any tenant leasing property located within the unincorporated areas of Mono County who can demonstrate that they have received a notice of eviction for failure to pay rent, and that such failure is related to a substantial loss of income or substantial out-of-pocket medical expenses resulting from the 2020 novel coronavirus pandemic or any local, state, or federal government response to the pandemic.

#### 7.93.020 Definitions.

The following words and phrases, whenever used in this chapter, shall be construed as defined in this section.

(A) "Commercial real property" means any real property that is used for business or income-producing purposes.

- (B) "Owner" means any person, acting as principal or through an agent, providing residential or commercial real property for rent, and includes a predecessor in interest to the owner.
- (C) "Residential real property" means any dwelling or unit that is intended or used for human habitation.
- (D) "Tenancy" means the lawful occupation of residential or commercial real property and includes a lease or sublease.

## 7.93.030 Prohibition on evictions stemming from coronavirus pandemic losses.

- (A) Through May 31, 2020, the owner of residential or commercial real property shall not terminate a tenancy for failure to pay rent if the tenant demonstrates that the failure to pay rent is directly related to a substantial loss of income or substantial out-of-pocket medical expenses associated with the coronavirus pandemic or any local, state, or federal government response to the pandemic.
- (B) In order for this section to apply, a tenant must demonstrate through documentation or other objectively verifiable means:
- (1) Substantial loss of income from (a) job loss; (b) layoff; (c) a reduction in the number of compensable hours of work; (d) a store, restaurant, office, or business closure; (e) a substantial decrease in business income caused by a reduction in opening hours or consumer demand; (f) the need to miss work to care for a home-bound schoolage child or a family member infected with coronavirus; or (g) other similarly-caused loss of income that resulted from the pandemic; or
  - (2) Substantial out-of-pocket medical expenses related to the pandemic.
- (C) This prohibition shall also apply to an owner's action that constitutes constructive eviction under California law. An owner's failure to comply with this ordinance shall render any notice of termination of tenancy void. This section may be asserted as an affirmative defense in an unlawful detainer action. Terminations that are required to comply with an order issued by a government agency or court requiring that the real property be vacated are excepted from this prohibition. An owner's failure to comply with this ordinance does not constitute a criminal offense but will subject an owner to civil fines and penalties as outlined more specifically in section 7.93.040.
- (D) Nothing in this ordinance shall relieve a tenant of the obligation to pay rent, nor restrict a landlord's ability to recover rent due.
- (E) This ordinance shall be liberally construed to provide the broadest possible protection for tenants in the unincorporated area of the County.

#### 7.93.040 Enforcement and Penalties.

(A) The remedies provided by this chapter are cumulative and in addition to any other remedies available at law or in equity.

- (B) Any violation of this chapter may be enforced through administrative citation and penalty as provided in Chapter 1.12 of the Mono County Code except that the amount of the administrative penalty shall be one thousand dollars per day starting on the day the eviction notice is received by the tenant and ending on the day a written withdrawal of said notice is received by the tenant.
- (C) Each and every violation of this chapter, or applicable state law or regulation shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the Mono County Code or otherwise authorized by law. Additionally, any violation shall be subject to injunctive relief, disgorgement to the county of any and all monies unlawfully obtained, costs of abatement, costs of restoration, costs of investigation, restitution, and any other relief or remedy available at law or in equity. The county, including the office of the district attorney and the office of the county counsel, may pursue any and all remedies and actions available and applicable under state and local laws for any violations.

#### 7.93.050 Severability.

If any provision of this ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, that invalidity shall not affect the remaining provisions of this ordinance which can be implemented without the invalid provisions, and to this end, the provisions of this ordinance are declared to be severable. The Board of Supervisors hereby declares that it would have adopted this ordinance and each provision thereof irrespective of whether any one or more provisions are found invalid, unconstitutional or otherwise unenforceable.

#### **SECTION II**

This ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and Section 15060(c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines, because it has no potential for resulting in physical change to the environment, directly or indirectly.)

#### **SECTION III**

Effective Date. This ordinance shall take effect immediately as an urgency ordinance. This is based on the Board of Supervisors finding that this ordinance is adopted in compliance with Government Code Section 25123(d), that it is necessary for the protection of the public peace, health and safety for the reasons contained in the findings set forth at the beginning of this ordinance, which are incorporated by reference herein, and that it is necessary to prevent the County of Mono from suffering potentially irreversible displacement of tenants resulting from the evictions that this ordinance is designed to prevent.

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Exhibit A

## EXECUTIVE DEPARTMENT STATE OF CALIFORNIA

#### **EXECUTIVE ORDER N-28-20**

WHEREAS on March 4, 2020, I proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

**WHEREAS** despite sustained efforts, the virus remains a threat, and further efforts to control the spread of the virus to reduce and minimize the risk of infection and otherwise mitigate the effects of COVID-19 are needed; and

**WHEREAS** the economic impacts of COVID-19 have been significant, and could threaten to undermine Californians' housing security and the stability of California businesses; and

**WHEREAS** many Californians are experiencing substantial losses of income as a result of business closures, the loss of hours or wages, or layoffs related to COVID-19, hindering their ability to keep up with their rents, mortgages, and utility bills; and

WHEREAS Californians who are most vulnerable to COVID-19, those 65 years and older, and those with underlying health issues, are advised to self-quarantine, self-isolate, or otherwise remain in their homes to reduce the transmission of COVID-19; and

**WHEREAS** because homelessness can exacerbate vulnerability to COVID-19, California must take measures to preserve and increase housing security for Californians to protect public health; and

**WHEREAS** local jurisdictions, based on their particular needs, may therefore determine that additional measures to promote housing security and stability are necessary to protect public health or to mitigate the economic impacts of COVID-19; and

WHEREAS local jurisdictions may also determine, based on their particular needs, that promoting stability amongst commercial tenancies is also conducive to public health, such as by allowing commercial establishments to decide whether and how to remain open based on public health concerns rather than economic pressures, or to mitigate the economic impacts of COVID-19; and

WHEREAS in addition to these public health benefits, state and local policies to promote social distancing, self-quarantine, and self-isolation require that people be able to access basic utilities—including water, gas, electricity, and telecommunications—at their homes, so that Californians can work from home, receive public health information, and otherwise adhere to policies of social distancing, self-quarantine, and self-isolation, if needed; and

**WHEREAS** many utility providers, public and private, covering electricity, gas, water, and sewer, have voluntarily announced moratoriums on service disconnections and late fees for non-payment in response to COVID-19; and

**WHEREAS** many telecommunication companies, including internet and cell phone providers, have voluntarily announced moratoriums on service disconnections and late fees for non-payment in response to COVID-19;

**NOW, THEREFORE, I, GAVIN NEWSOM,** Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes of the State of California, and in particular, Government Code sections 8567 and 8571, do hereby issue the following order to become effective immediately:

#### IT IS HEREBY ORDERED THAT:

- 1) The time limitation set forth in Penal Code section 396, subdivision (f), concerning protections against residential eviction, is hereby waived. Those protections shall be in effect through May 31, 2020.
- 2) Any provision of state law that would preempt or otherwise restrict a local government's exercise of its police power to impose substantive limitations on residential or commercial evictions as described in subparagraphs (i) and (ii) below—including, but not limited to, any such provision of Civil Code sections 1940 et seq. or 1954.25 et seq.—is hereby suspended to the extent that it would preempt or otherwise restrict such exercise. This paragraph 2 shall only apply to the imposition of limitations on evictions when:
  - (i) The basis for the eviction is nonpayment of rent, or a foreclosure, arising out of a substantial decrease in household or business income (including, but not limited to, a substantial decrease in household income caused by layoffs or a reduction in the number of compensable hours of work, or a substantial decrease in business income caused by a reduction in opening hours or consumer demand), or substantial out-of-pocket medical expenses; and
  - (ii) The decrease in household or business income or the out-of-pocket medical expenses described in subparagraph (i) was caused by the COVID-19 pandemic, or by any local, state, or federal government response to COVID-19, and is documented.

The statutory cause of action for judicial foreclosure, Code of Civil Procedure section 725a et seq.; the statutory cause of action for unlawful detainer, Code of Civil Procedure section 1161 et seq., and any other statutory cause of action that could be used to evict or otherwise eject a residential or commercial tenant or occupant of residential real property after foreclosure is suspended only as applied to any tenancy, or residential real property and any

occupation thereof, to which a local government has imposed a limitation on eviction pursuant to this paragraph 2, and only to the extent of the limitation imposed by the local government.

Nothing in this Order shall relieve a tenant of the obligation to pay rent, nor restrict a landlord's ability to recover rent due.

The protections in this paragraph 2 shall be in effect through May 31, 2020, unless extended.

- 3) All public housing authorities are requested to extend deadlines for housing assistance recipients or applicants to deliver records or documents related to their eligibility for programs, to the extent that those deadlines are within the discretion of the housing authority.
- 4) The Department of Business Oversight, in consultation with the Business, Consumer Services, and Housing Agency, shall engage with financial institutions to identify tools to be used to afford Californians relief from the threat of residential foreclosure and displacement, and to otherwise promote housing security and stability during this state of emergency, in furtherance of the objectives of this Order.
- 5) Financial institutions holding home or commercial mortgages, including banks, credit unions, government-sponsored enterprises, and institutional investors, are requested to implement an immediate moratorium on foreclosures and related evictions when the foreclosure or foreclosure-related eviction arises out of a substantial decrease in household or business income, or substantial out-of-pocket medical expenses, which were caused by the COVID-19 pandemic, or by any local, state, or federal government response to COVID-19.
- 6) The California Public Utilities Commission is requested to monitor measures undertaken by public and private utility providers to implement customer service protections for critical utilities, including but not limited to electric, gas, water, internet, landline telephone, and cell phone service, in response to COVID-19, and on a weekly basis publicly report these measures.

Nothing in this Order shall be construed to invalidate any limitation on eviction enacted by a local jurisdiction between March 4, 2020 and this date.

Nothing in this Order shall in any way restrict state or local authority to order any quarantine, isolation, or other public health measure that may compel an individual to remain physically present in a particular residential real property.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

I FURTHER DIRECT that as soon as hereafter possible, this proclamation be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 16th day of March 2020.

GOVERNOR OF COLIFORNIA

ATTEST:

ALEX PADILLA Secretary of State