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## SAN DIEGO'S EVICTION MORATORIUM

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**(1) City Council's Language:** *"The temporary moratorium must not extend beyond the duration of the City's declaration of emergency related to the COVID-19 outbreak, but may be extended for a longer period by agreement of the Council."*

- **Policy Suggestion:** Clarity is needed as to the criteria that would allow the moratorium's extension. Extending the moratorium without clear definition in advance will increase economic uncertainty, negatively impacting the City.

**Proposed Language:** *"The temporary moratorium must not extend beyond the duration of the City's declaration of emergency related to the COVID-19 outbreak. Any successive extension shall only be permitted if the Council re-authorizes such extension, and the extension is signed into law by the Mayor."*

**(2) City Council's Language:** *"Any temporary moratorium should include a process for affected renters to notify their landlords on or before the day that rent is due of the substantial loss of income and demonstrate substantial loss of income, through documentation or other objectively verifiable means, resulting from the COVID-19 pandemic or subsequent actions taken by the County Public Health Officer, or other City, State or Federal Authority."*

- **Policy Suggestion:** Notice to landlord should be received within 48-hours of receiving proof of substantial loss so the landlord is able to fully work with the resident pertaining to all government assistance programs and prepare a plan with the resident prior to rent being due which would cause a severe hardship to individual small owners.
- **Policy Suggestion:** If owners do not receive payment for rent they will be unable to maintain their property which could cause a rise in health and safety issues for the majority of San Diegans.
- **Policy Suggestion:** If loss of rent goes too long, owners may lose their property and thus we will see a decrease in rental housing across San Diego, which will cause an adverse financial impact to society.

**Proposed Language:** *"Securing the health and well-being of renters and housing providers, who are duly affected by the COVID-19 outbreak, is of the utmost importance to ensuring a viable housing market for our regional economy. Should a renter experience a 'Substantial Loss of Income,' the renter has an affirmative obligation to: (1) demonstrate that the Substantial Loss of Income is exclusively the*

result of COVID-19 disruption (e.g. letter from former employer, xx, yy); (2) properly notify building management personnel in writing with proper notice from their employer on or before the date rent is due; (3) to mitigate their Substantial Loss of Income by applying for Federal Unemployment Insurance, or any other comparable insurance program established for COVID-19 financial hardship, within 48 hours of notifying building management. Absent affirmative proof provided by the renter, the rights of building management to collect rent and serve notice for unlawful detainer shall be unimpeded and unimpeded.

**(3) City Council's Language:** *"The proposed moratorium should also include a process to measure substantial loss of income."*

- **Policy Suggestion:** Landlords should be able to re-screen income to include all government and charity related payments to then determine an agreeable monthly amount of rent that should be paid to ensure ownership is able to maintain the community in a habitable fashion through the time all deferred payments are due and payable.
- **Policy Suggestion:** If someone is impacted by COVID-19 but does not utilize all resources allowable to them, ownership should be exempt from providing them additional time to make rental payments.

**Proposed Language:** *"Substantial Loss of Income' shall include: (1) termination of previous employment due to COVID-19; (2) a 30% or greater reduction in hourly pay, whether or not said reduction is explicitly the result of COVID-19; (3) a 30% or greater reduction in hours assigned, whether or not said reduction is explicitly the result of COVID-19. Temporary Re-Screened Income' shall include all City, County, State, and Federal payments received by renter, and any payments received from a qualified 501(c)(3) organization as a result of COVID-19. Failure to include any relevant payments will result in immediate suspension of one's Substantial Loss of Income' status.*

**(4) City Council's Language:** *"The City shall advocate with the relevant organizations for temporary state and federal financial relief for burdened, unpaid landlords from the burden of such costs as property taxes, utility charges, and foreclosure."*

- **Policy Suggestion:** This language shirks sheer economic realities by avoiding the powerful and crucial role lenders play in our region's housing marketplace. It hopes for the best without planning for the worst.

**Proposed Language:** For any property falling within the City's jurisdiction that has 20% of its residents qualifying as having a "Substantial Loss of Income," and to ensure and maintain a viable housing stock for its citizenry, The City shall hereby defer all property taxes and utility payments falling within its jurisdiction for the period commensurate with the City's declaration of emergency related to the COVID-19 outbreak, including any authorized extension therein. Payment of unpaid property taxes and utility bills shall not accrue interest. The allowable period to repay property taxes owed shall be the same as that afforded to renters who qualify

as having “Substantial Loss of Income.”

**(5) City Council’s Language:** “The San Diego Housing Commission should seek access to flexible emergency funding that the State and Federal Government make available in order to assist renters and landlords in making their payments.”

- **Policy Suggestion:** If this is the case, then all residents should be able to make rent payments and owners in turn would then be able to make their payments as normal to all government agencies, utilities and banks; assisting in the slow of any recession, which would assist the State and City as a whole as they seek to recover.

**(6) City Council’s Language:** “Tenants shall pay their landlords any owed rent once the local emergency is abated, and within 6 months from the date of the Mayor’s order declaring a local emergency.”

- **Policy Suggestion:** Promote liquidity (e.g. money flows) to maintain our existing housing stock and prevent further regional unemployment from skyrocketing, as a result of this policy, throughout the COVID-19 disruption.
  - o **Policy Suggestion:** Tenants will be unable to restore their account back to current within 6 months unless we require a payment arrangement during the time they are out of work that ensures they pay no less than the rent to income percentage they were at when they were approved for their apartment.
  - o **Policy Suggestion:** It will decimate small rental owners if they are forced to evict because tenants can’t catch up on their rent. Evictions will be delayed due to the sheer volume which could put an owner at a 9 month to 1-year loss of rent per apartment. Foreclosures will soon follow.

**Proposed Language:** Renters who qualify as having “Substantial Loss of Income” shall maintain an affirmative obligation to pay rent equal to their individual “rent to income” percentage when they were originally approved for their dwelling, multiplied by their respective “Temporary Re-Screened Income.” This equitable payment arrangement will ensure that the housing stock affected by COVID-19 can and will be maintained to ensure proper habitability for residents throughout the local emergency, respect the burden faced by qualified renters, and promote targeted relief without creating a “free-for-all” regime for unqualified renters seeking to shirk their previous economic obligations.

**(7) City Council’s Language:** “The moratorium shall be based on a tenant’s nonpayment of rent arising out of a “substantial decrease in household or business income” and/or “substantial out-of-pocket medical expenses” caused by either the Covid-19 outbreak or any government response to the outbreak.”

- **Policy Suggestion:** Change of Status paperwork must be provided from the tenant and if it does not state as the specific reason Covid-19 for

the loss of hours, lay-off or termination, then they are exempt from all protections.

- **Policy Suggestion:** If due to medical expenses, all invoices or receipts must be provided along with all income, whether it be wages, government assistance or charity programs to come to an achievable payment plan.
- **Policy Suggestion:** There are too many programs available at this time for property owners to have to go 6 months or more without any payment. Most owners survive on the small profit received monthly and are not in a position to cover 6 months or more of expenses without the rent payment being received. Tenants therefore must agree to pay the same percentage of rent to income ratio they were approved with at move-in, in order to qualify for the full repayment option. If they are receiving funds and refuse to make payments as noted, legal action should be permitted.

**Proposed Language:** "*Substantial Loss of Income*" shall include any and all medical expenses caused by the COVID-19 outbreak. Renters have an affirmative obligation to provide building management with all applicable invoices within 7 business days of receiving the invoices. Renters who qualify as having "Substantial Loss of Income " as a result of COVID-19 related medical expenses must apply for Federal Unemployment Insurance or Federal Disability Insurance within 7 business days from release from the hospital or applicable medical facility. Failure to notify building management and apply for unemployment or disability insurance will exempt the renter from any and all COVID-19 protections related to rental obligations.

**(8) City Council's Language:** "*Any temporary moratorium shall include a process for affected renters to notify their landlords on or before the day that rent is due of the substantial loss of income and demonstrate substantial loss of income, through documentation or other objectively verifiable means, resulting from the Covid-19 pandemic or subsequent actions taken by the County Public Health Officer, or other City, State or Federal Authority.*"

- **Policy Suggestion:** Notice needs to be provided from tenant within 48-business hours from date of change of status of employment or receipt of medical expenses. Owners can't wait till rent is due to learn they will not receive it.
- **Policy Suggestion:** Receiving prompt notification will also allow owners to talk with the tenant to ensure they are aware of the many programs and work out a plan for continued long term residency.

**(9) City Council's Language:** "*The proposed moratorium shall include a process to measure substantial loss of income.*"

- **Policy Suggestion:** As mentioned above, this needs to include a payment plan of at least the same rent to income percentage the tenant was at when they were initially approved for the apartment, based on their new temporary monthly revenue.

