



Renter Protection Ordinance

Frequently Asked Questions (FAQs)

These FAQs apply to Ordinance NO. 2020-07 approved by the SC City Council on March 24th, 2020.

GENERAL:

- **Who does this ordinance apply to?**

This ordinance is aimed at protecting commercial and residential tenants who are unable to pay their rent and may be at risk of eviction due to a reduction in income or loss of wages as a result of the coronavirus.

- **What is the goal of this ordinance?**

1) To protect the health, safety, and welfare of our community; 2) to provide stability to renters during this time of unprecedented economic challenges resulting from the coronavirus health crisis; and 3) to avoid further homelessness and loss of jobs.

- **Is this ordinance retroactive?**

This ordinance will be applied to any eviction resulting from economic losses related to the coronavirus pandemic effective immediately upon its adoption starting March 24th, 2020.

- **How long is this ordinance in effect?**

This ordinance shall expire on May 31st, 2020, but can be extended by a vote of the City Council. The City Council is scheduled to revisit this ordinance during the second meeting in May.

- **How should landlords and tenants approach a conversation around deferred payment of rents?**

This ordinance requires tenants to provide document of loss to their landlords (see FAQ under the “tenants” section below). The City also recommends that landlord/tenant discussions include the following:

- Joint statement of loss: how the coronavirus has impacted your household or business income, steps taken to remedy the situation, and tenant intentions (what will/can you pay in the next 4-6 months)
- Scenario evaluation for 2 months versus 6 months and beyond: define best and worst case scenario, possible resources/assistance that may be/become available, and a timeline to normalcy
- Negotiation of rent deferment, temporary reduction, or forgiveness: determine a timeline for deferment and payment, what the trigger points are for reevaluation (medical emergency, extended shelter in place, need to break a lease, etc).

The SCC Business Council [presentation](#) on Landlord/tenant agreements is another resource.

TENANTS:

- **Will tenants still be responsible for any unpaid rents?**

Yes, this ordinance does NOT relieve tenants of their rental obligations. Renters should contribute the amount that they are able each month, and will still be responsible for paying any back rent due to their landlords.

- **How long will tenants have to repay unpaid rents following the end of the current crisis?**

Tenants and landlords are encouraged to negotiate a repayment plan that may extend 6 months beyond the end of the corona virus crisis.

- **How and when should tenants notify their landlord if unable to pay their rent?**

Tenants are encouraged to notify their landlord as soon as they know they will be unable to pay their rent. Tenants are required to provide documentation to their landlords showing:

- substantial loss of income from a) job loss; b) layoffs; c) reduction in the number of compensable hours work; d) business closure; e) decrease in business income; f) need to miss work to care for a child or family member; g) similar-caused loss of income that resulting from the coronavirus; or h) substantial out-of-pocket medical expenses related to the coronavirus.

- **What resources are available to tenants whose income has been reduced or lost as a result of the COVID-19?**

- The California Department of Labor and Workforce Development [Coronavirus Resources website](#) includes information on: paid family leave, disability insurance, unemployment insurance, paid sick leave, and worker's compensation. See the chart [available at the bottom of the page here](#) detailing the different programs available and how to use them.
- PG&E has initiated a [moratorium on service disconnections](#) for non-payment for both residential and commercial customers, effective immediately and until further notice.
- Santa Cruz Municipal Water Utility is offering a [hardship declaration form](#) to utility customers whose ability to pay their bills have been disrupted by the COVID-19 outbreak. Utility service will not be discontinued for non-payment. Customers are asked to pay what they can.
- The City maintains a [Rental Assistance Program](#) with the Santa Cruz County Housing Authority for income qualified tenants. This is an eviction prevention program and offers rental/mortgage assistance.
- The City maintains a number of [affordable housing programs and services](#).
- The City Economic Development Department is maintaining a list of business resources available at [ChooseSantaCruz.com/coronavirus](#).

- **What happens if a landlord doesn't comply with the ordinance?**

A landlord's failure to comply may be asserted as an affirmative defense in any eviction action brought against a tenant who demonstrates that failure to pay is result of the COVID-19 pandemic. This situation becomes a civil matter, and tenants and landlords are encouraged to seek legal advice. [California Rural Legal Assistance, Inc](#) (CRLA) provides a variety of legal services and programs for low-income communities.

LANDLORDS:

- **Can landlords still evict a tenant for non-COVID related issues?**

The Santa Cruz Superior Court issued an [Emergency Order](#) on March 24th, 2020, which prevents tenants subject to eviction (for any reason) from being forced out of their rental unit until, at a minimum, April 30th, 2020. This order applies to all residential and commercial rental units in the City of Santa Cruz.

- **What resources are available to landlords who depend on rental income to pay their mortgages?**

Landlords are encouraged to reach out to their lenders immediately following notification from their tenants. This ordinance encourages banks and financial institutions to halt foreclosures and related evictions resulting from missed mortgage payments. Additionally, congress is likely to address this issue in upcoming federal relief packages.