



# RESOLVING LANDLORD/TENANT DISPUTES DURING THE COVID-19 PANDEMIC



**Presented by:  
City of Richmond Rent Program  
Executive Director – Nicolas Traylor  
May 21, 2021**

# WHAT THIS PRESENTATION IS ALL ABOUT...

Knowing the Law  
Helps Prevent  
and Resolve  
Disputes

Knowledge of the Rent Ordinance and local, county and state laws will empower you to resolve conflicts within the bounds of the law. This presentation will review the requirements of the Richmond Rent Ordinance and other applicable laws that landlords and tenants need to know about to help resolve disputes.

Know Your  
Options for  
Recourse for  
most common  
Landlord/Tenant  
Disputes

This presentation will also review options for landlords and tenants to resolve common landlord/tenant disputes. Recourse includes the self-help method, utilizing the rent adjustment petition process, informal Rent Program mediation, and going to court (filing eviction lawsuits).

# TOPICS COVERED

**Purpose**

**Overview of the  
Rent Ordinance  
and Rent Program**

**The Importance of  
Being In Compliance  
When Resolving  
Disputes**

**Common Disputes  
Facing Tenants  
During the Pandemic  
and Options For  
Recourse**

**Common Disputes  
Facing Landlords  
During the Pandemic  
and Options for  
Recourse**

**Q and A**

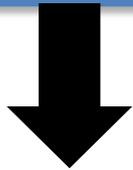
*Questions about local  
and state eviction and  
rent moratoriums  
welcome!*

# **WHAT IS THE PURPOSE OF THE RICHMOND RENT ORDINANCE?**

- **To promote neighborhood and community stability through stabilized, affordable rent increases**
- **Prevent arbitrary evictions to the greatest extent allowable under California law, while ensuring Landlords a fair return.**

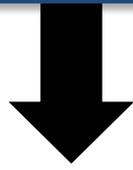
# WHICH PROPERTIES ARE COVERED BY THE RENT ORDINANCE?

Fully Covered  
("Controlled Rental  
Units"): Rent  
Control and Just  
Cause for Eviction  
Protections



- ✓ Multi-Unit Properties built on or before February 1, 1995

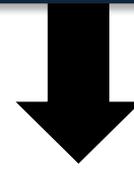
Partially Covered:  
Only Just Cause for  
Eviction Protections  
(Not Rent-  
Controlled)



- ✓ Subsidized Units, including Section 8 Tenancies
- ✓ Properties with one dwelling unit on one parcel
- ✓ Condominiums
- ✓ "New Construction" constructed after February 1, 1995\*

\*Costa Hawkins requires units be permitted with a certificate of occupancy (i.e., permits are final and unit is fit for residential habitation).

Fully Exempt: No  
Rent Control and no  
Just Cause for  
Eviction Protections



- ✓ Landlord and Tenant share kitchen and/ or bath
- ✓ Single family homes where a permitted ADU was added and the main house is owner-occupied.
- ✓ Retirement Homes

# IMPORTANCE OF BEING IN COMPLIANCE WITH THE RENT ORDINANCE

**The impact of non-compliance on the ability to evict**

**Non-compliance with the Rent Ordinance can be used as an affirmative defense to an eviction lawsuit (meaning the lawsuit may be dismissed due to non-compliance).**

**The impact of non-compliance on the ability to raise rents**

**Non-compliance may prevent a Landlord from raising rents (taking AGA increases, or petition related rent increases)**

**What does being in-compliance with the Rent Ordinance mean?**

**Being in Compliance with the Rent Ordinance means:**

- **Paying the Residential Rental Housing Fee**
- **Enrolling the property**
- **Registering tenancies (for fully covered/rent controlled units)**
- **Following the noticing requirements for eviction, rent increase notices and written warning notices**
- **Charging lawful rents (not charging more than the MAR)**
- **Complying with any final decision issued by a Hearing Examiner or Rent Board**

# RESIDENTIAL RENTAL HOUSING FEE

- The Rent Ordinance requires the City Council to adopt a Residential Rental Housing Fee, following a recommendation from the Rent Board.

<b>Fiscal Year 2021-22</b>	Fully Covered Rental Units: \$218 per unit Partially Covered Rental Units: \$123
<b>Fiscal Year 2020-2021</b>	Fully Covered Rental Units: \$219 per unit Partially Covered Rental Units: \$124 per unit
<b>Fiscal Year 2019-2020</b>	Fully Covered Rental Units: \$212 per unit Partially Covered Rental Units: \$112 per unit Governmentally-Subsidized Rental Units: \$112 per unit
<b>Fiscal Year 2018-2019</b>	Fully Covered Rental Units: \$207 per unit Partially Covered Rental Units: \$100 per unit Governmentally-Subsidized Rental Units: \$50 per unit
<b>Fiscal Year 2016-2018</b>	Fully Covered Rental Units: \$145 per unit Partially Covered Rental Units: \$145 per unit Governmentally-Subsidized Rental Units: \$145 per unit

# JUST CAUSE FOR EVICTION

## R.M.C. 11.100.050(a)

Residential Tenants can only be evicted for one of the following “Just Causes” (notice must state the reason):

- **Failure to Pay Rent** (after having been served a three-day notice to pay or quit)
- **Breach of Lease** (if a Tenant continues to violate the lease after being warned in writing to cease the violation(s) )
- **Nuisance** (if a Tenant continues to cause a nuisance after being warned in writing to cease causing the nuisance)
- **Failure to Give Access** (if a Tenant continues to deny a Landlord lawful entry per Civil Code 1954, after receiving a written warning to cease denying lawful entry)
- **Temporarily Vacate in Order to Undertake Substantial Repairs\***
- **Owner Move-In\***
- **Withdrawal from Rental Market (Ellis Act)\***
- **Temporary Tenancy**

*\*Relocation Payment required – See Relocation Ordinance established by the City Council (RMC 11.102)*

# WRITTEN WARNING NOTICE REQUIREMENTS

## R.M.C. 11.100.050(d)

- Must be served PRIOR to a notice of termination of tenancy if the Just Cause for Eviction is:
  - Breach of Lease
  - Nuisance
  - Failure to Give Access
- Must provide the Tenant with a “reasonable period” of no less than 5 days to correct the violation prior to serving a notice to terminate tenancy
- Must state that failure to cure may result in eviction
- Must inform Tenant of their right to request a reasonable accommodation
- Shall include the contact number of the Rent Program
- Shall include instructions for compliance
- Shall include information necessary to determine the date, time, place, witnesses present and other circumstances
- Warning Notice template available at:  
<http://www.ci.richmond.ca.us/DocumentCenter/View/41428/Written-Warning-Notice?bidId=>

# JUST CAUSE FOR EVICTION: NOTICING RULES

## RENT BOARD REGULATION 1001

- Landlord must submit a copy of any termination of tenancy notice served on a Tenant within 2 business days of serving the Tenant, along with a proof of service.
- The termination of tenancy notice should be submitted online at <https://www.ci.richmond.ca.us/3387/Termination-of-Tenancy>. For properties with five or fewer units, the Landlord may submit the notice by mail. The Rent Program does not accept notices of termination by email.
- Failure to file the termination of tenancy notice timely may be asserted by the Tenant as an affirmative defense in an unlawful detainer (eviction) proceeding.

# MAXIMUM ALLOWABLE RENT (MAR)

The maximum Rent that can be charged for a **Controlled Rental Unit**

A Rent increase cannot exceed the **Maximum Allowable Rent**, but it can be less. Even if the maximum Rent is not charged, the **Maximum Allowable Rent** remains the same. The Landlord may choose to raise the Rent to the maximum in accordance with state law and the Rent Board's banking regulation.

Equals the **Base Rent + Annual General Adjustments (AGA) + Individual Rent Adjustments** (approved through the petition process)

# ANNUAL GENERAL ADJUSTMENT (AGA)

**What is the AGA and how is it calculated?**

Annual allowable cost-of-living increase, based on 100% of Consumer Price Index (inflationary rate).

**When can first AGA be taken after new tenancy starts?**

One full calendar year must expire after September 1 of each year.

**When during the year can the AGA be taken?**

Generally, the AGA can be taken on September 1 of each year after proper legal notice. However, the 2020 AGA has and continues to be deferred until local law allows residential rent increases.

**Can Landlords “bank” AGA increases?**

Yes, a limit of 5% of previously deferred AGAs can be recovered each year, plus the current year’s AGA, but Rent increases may not be applied retroactively. For more information on banking, see Regulation 602.

# ANNUAL GENERAL ADJUSTMENTS 2016 - 2021

2016 Annual General Adjustment: 3.0%

2017 Annual General Adjustment: 3.4%

2018 Annual General Adjustment: 3.6%

2019 Annual General Adjustment: 3.5%

2020 Annual General Adjustment: 2.9%

2021 Annual General Adjustment: 1.6%

A Landlord must give the Tenant proper notice of a Rent increase per California Civil Code 827: A Landlord may increase the Rent up to the **Maximum Allowable Rent** with a 30-day written notice.

**Note: the AGA Rent increase may only be applied to tenancies in effect prior to Sept. 1 of the previous year.**

# TENANT RENT ADJUSTMENT PETITIONS

**Petition for Excessive Rent due to failure on behalf of the Landlord to roll back the Rent or for charging Rent above the Maximum Allowable Rent (MAR)**

**Petition to reduce the Rent due to decrease in space, services, and/or habitability**

**Petition to reduce the Rent due to a reduction in the number of Tenants allowed**

**Important Petition Facts: (1) Landlord has right to object to petition; (2) Most petitions and almost all habitability petitions will result in a hearing conducted by Hearing Examiner; (3) Some petitions will be decided administratively if no objection is filed by the other party and the facts of the case are straightforward or not disputed; (4) Either party can appeal a Hearing Examiner's decision.**

# **LANDLORD RENT ADJUSTMENT PETITIONS**

**Petition to increase the Maximum Allowable Rent (MAR) due to increase in number of occupants allowed\***

**Petition to increase the Maximum Allowable Rent (MAR) due to increase in space or services**

**Petition to increase the Maximum Allowable Rent (MAR) due to increases in Net Operating and Maintenance costs**

**Important Petition Facts: (1) Tenant has right to object to petition; (2) Most petitions and almost all habitability petitions will result in a hearing conducted by Hearing Examiner; (3) Some petitions will be decided administratively if no objection is filed by the other party and the facts of the case are straightforward or not disputed. (4) Either party can appeal a Hearing Examiner's decision.**

\*A petition for an increase in the number of occupants will not be approved if it concerns additional tenants pursuant to the Regulations of the Richmond Rent Board, Section 903(B)(2).

# SERVICES PROVIDED BY THE RENT PROGRAM

- Comprehensive counseling on the Rent Ordinance, Relocation Ordinance, and applicable State law
- Informal and formal mediation services
- Referrals to community legal service providers
- Targeted outreach to Tenants and Landlords involved in the termination of a tenancy for just cause
- Administration of the Rent Adjustment Petition process
- Hosting monthly Community Education Workshops
- Facilitating monthly meetings of the Richmond Rent Board
- Billing and collection of the Rental Housing Fee



# **Common Disputes and Options for Recourse**

# COMMON ISSUES FACING LANDLORDS DURING THE PANDEMIC

- Tenant not paying rent
- Tenant bringing in unauthorized occupants
- Tenants causing an nuisance, damaging the property, disturbing other tenants or violating their lease agreement
- Wanting to sell tenant occupied properties

# LANDLORD OPTIONS FOR RECOURSE WHEN TENANT IS NOT PAYING RENT

- **Apply for local or state rent assistance at [housingiskey.com](http://housingiskey.com).** More information about local rent assistance programs is available at <http://www.ci.richmond.ca.us/4024/Rent-Assistance-Resources>
- **Consider Rent Program mediation** to establish a repayment plan for rent owed
- **Try to work it out with the tenant** on your own (keep good documentation and work within the bounds of the law to avoid harassment claims).
- **Go the eviction route** (but make sure you are in compliance with the Rent Ordinance, SB 91 and other applicable laws, follow local and state noticing rules and consult with an eviction attorney)

## LANDLORD OPTIONS FOR RECOURSE WHEN TENANTS CAUSE A NUISANCE, DAMAGING THE PROPERTY, DISTRIBUTING OTHER TENANTS OR VIOLATING THEIR LEASE AGREEMENT

- **Consider Rent Program mediation** to reach an agreement with the tenant to cease causing a nuisance, damaging the property, disturbing other tenants or violating the lease.
- **Try to work it out with the tenant** on your own (keep good documentation and work within the bounds of the law to avoid harassment claims).
- **Go the eviction route** (but make sure you are in compliance with the Rent Ordinance, SB 91 and other applicable laws, follow local and state noticing rules and consult with an eviction attorney). Remember that most nuisance and lease violations require a written warning notice to cease that complies with Richmond noticing rules. Keeping good documentation may be the difference between a successful or unsuccessful outcome.

# LANDLORD OPTIONS FOR RECOURSE WHEN TENANT BRINGS IN UNAUTHORIZED OCCUPANTS

- **Try to work it out with the tenant** on your own (keep good documentation and work within the bounds of the law to avoid harassment claims)
- **File a rent increase petition** with the Rent Program due to additional occupants. The addition of a parent, child, grandchild, grandparent, spouse or domestic partner cannot result in an additional rent increase unless the Tenant agrees to allow it.
- **Go the eviction route** (but make sure you are in compliance with the Rent Ordinance and other applicable local and state laws). Be aware that if the unauthorized occupant has been in the unit for some time and the landlord has known about it and not objected to it, it may be considered as implicit acceptance.
- **Consider mediation through the Rent Program** to reach an agreement with the tenant to raise the rent through an agreed upon rent increase authorized by a Hearing Examiner or Rent Board.
- **Be aware:** The Rent Ordinance and associated regulations prohibit evictions due to the addition to the Rental Unit for a Tenant's child, parent, grandchild, grandparent, brother, sister, spouse or domestic partner so long as the addition of such relatives does not exceed the maximum number of occupants allow in a rental unit under California law. Further, be advised that the Contra Costa County Ordinance currently prohibits evictions where tenant allows an unauthorized occupant to live in the dwelling unit, if the occupant is a member of the tenant's immediate family living in the dwelling unit and the occupant moved in as a result of the COVID-19 pandemic. (See supplemental slides for more information.)

# COMMON ISSUES FACING TENANTS DURING THE PANDEMIC

- Not being able to pay rent due to the pandemic
- Landlord is harassing the tenant
- Landlord is not making repairs
- Landlord is issuing unlawful notices of termination of tenancy (e.g. notice to terminate because they want to sell the property or some other non-Just Cause for eviction)
- Landlord is threatening to evict due to unauthorized occupants brought in by the tenant to help pay for rent

# TENANT OPTIONS FOR RECOURSE WHEN UNABLE TO PAY RENT DUE TO THE PANDEMIC

- Follow the requirements of SB 91, which include submitting a Declaration of Financial Hardship to the Landlord and paying at least 25% of the rent during the moratorium period
  - Apply for local or state rent assistance. **More information about local rent assistance programs is available at <http://www.ci.richmond.ca.us/4024/Rent-Assistance-Resources> or [housingiskey.com](http://housingiskey.com)**
- Consider mediation to work out a repayment plan with the Landlord

# TENANT OPTIONS FOR RECOURSE WHEN LANDLORD WON'T MAKE REPAIRS

- **Advocate for yourself** with the Landlord (i.e. try to work it out with the Landlord): Tenants are advised to make sure they have informed (in writing, email, texts) the Landlord of the habitability issue, take photos or videos of the problem and include that evidence along with the letter
- **Request a Housing Inspection** with the City of Richmond
- **File a petition with the Rent Program** to reduce the rent due to a reduction in habitability
- Some Tenants choose to **utilize the state law know as the “repair and deduct” method**. In cases where the Landlord refuses to make repairs, the Tenant can pay for the repairs and deduct up to a month’s rent. This method is risky because it can lead to the Tenant receiving a notice to pay or quit.

# TENANT OPTIONS FOR RECOURSE TO ADDRESS LANDLORD HARASSMENT (INCLUDING UNLAWFUL EVICTION NOTICES, LOCKOUT OR OTHER THREATS OF EVICTION)

- **Consult with a Rent Program Services Analyst** about your rights under the Rent Ordinance and associated California law
- **Document all incidents and correspondence** with Landlord in writing and consider copying the Rent Program or other appropriate agency.
- **Request a referral from the Rent Program** to consult with an attorney at Bay Area Legal or in some cases the Eviction Defense Center
- **Consult with a private attorney** to learn about your legal options (demand letters, affirmative lawsuit, etc.)

# THANK YOU!

**Richmond Rent Program**

**510-234-RENT (7368)**

**[rent@ci.richmond.ca.us](mailto:rent@ci.richmond.ca.us)**

**Or**

**Visit us at:**

**[www.richmondrent.org](http://www.richmondrent.org)**

\*Our website has a COVID-19 Tenant Relief Act fact sheet in English and Spanish, and links to the applicable forms mentioned during this presentation in various languages.

(ENGLISH & SPANISH) COVID-19 Tenant Relief Act Fact Sheet:

<http://www.ci.richmond.ca.us/DocumentCenter/View/55662/Updated-Rent-Program-Fact-Sheet-03252021-English-and-Spanish?bidId=>

Declaration of COVID-19- Related Financial Distress (ENGLISH & SPANISH):

[https://housing.ca.gov/pdf/forms/tenant/1179\\_02d.pdf](https://housing.ca.gov/pdf/forms/tenant/1179_02d.pdf)

[https://housing.ca.gov/pdf/forms/tenant/1179\\_02d\\_spanish.pdf](https://housing.ca.gov/pdf/forms/tenant/1179_02d_spanish.pdf)

# Q & A SESSION

- If you have a question, please type it in the Q&A section in Zoom.

# SUPPLEMENTAL SLIDES

# NOTICE

- THIS PRESENTATION IS A BROAD OVERVIEW OF A RECENTLY PASSED STATE LAW AND ITS RECENT EXTENSION AND MODIFICATION. THE CALIFORNIA LEGISLATURE PASSED THIS LAW AND THE RICHMOND RENT PROGRAM HAS NO AUTHORITY REGARDING ITS REQUIREMENTS, APPLICABILITY, OR ENFORCEMENT. THESE ISSUES MAY ONLY BE DECIDED BY A COURT OF PROPER JURISDICTION.
- THIS PRESENTATION IS NOT INTENDED TO ACT AS LEGAL ADVICE. IF YOU REQUIRE LEGAL ADVICE, YOU SHOULD CONTACT AN ATTORNEY.
- ANSWERS TO FACT SPECIFIC OR HYPOYHETICAL QUESTIONS WILL LIKELY NOT BE PROVIDED A RESPONSE DURING THIS PRESENTATION.
- FINALLY, THIS PRESENTATION, INCLUDING THE QUESTION-AND-ANSWER SESSIONS, IS TO PROVIDE GENERAL INFORMATION ONLY. ANY QUESTIONS REGARDING FACT SPECIFIC SITUATIONS SHOULD BE ADDRESSED AT ANOTHER TIME BY CONTACTING THE RICHMOND RENT PROGRAM AT (510) 234-7368 or BY SENDING AN EMAIL TO [rent@ci.richmond.ca.us](mailto:rent@ci.richmond.ca.us).

# The COVID-19 Tenant Relief Act

- On or about January 28, 2021, the California Legislature passed SB-91, which extended the State's eviction moratorium and added several new sections to the "COVID-19 Tenant Relief Act."
- The COVID-19 Tenant Relief Act ("the Act" or "CTRA") is intended to:
  - Coordinate the State's response to COVID-19 rent related evictions.
  - Permit the Courts enough time to adjust to the backlog of cases.
  - Provide Tenants a clear, consistent path of obtaining protection from eviction when they cannot pay rent due to a COVID-19 related issue.
  - Provide Landlords with basic certainty on when they can collect the rent-debt owed and creates a process whereby its easier for Landlords to access the courts to seek the debts owed.

# What does the Act do?

The Act modifies and/or creates the following areas to achieve its goal:

- Creates Notice of Rights.
- Creates two categories of debt.
- Amends Notice of Termination of Tenancy for nonpayment of Rent.
- Creates Declaration of Covid-19 related financial distress.
- Amends Unlawful Detainer (“UD”) Records.
- Prohibits certain evictions.
- Amends Small Claims Court actions and limitations.
- Creates incentives and requirements for distribution of State Rental Assistance funds issued by the Federal Government.
- Prohibits certain actions and creates requirements for Landlords who have tenants with COVID-19 rental debt.
- Amends anti-retaliation statutes and prohibits housing providers from using a tenant’s COVID-19 rental debt as a negative factor for future housing.

# Definitions

- The CTRA defines the period of which it covers.
  - “Covered” time period- The time period between March 1, 2020, and June 30, 2021.
- The CTRA splits rent debt into two categories:
  - “Protected” time period- The time period between March 1, 2020, and August 31, 2020.
  - “Transition” time period- The time period between September 1, 2020, and June 30, 2021.
- These 3 terms will be referenced throughout the presentation.

# Notice of Rights

- On or before **February 28, 2021**, Landlords must provide Tenants who, as of February 1, 2021, owe rent for the covered time period, with a written notice in 12 pt. type that explains the tenant's rights under the CTRA.
  - The notice must recite **verbatim** language provided in state law.
  - The notice is separate and distinct from the notice of termination of tenancy.
  - A Landlord must serve this notice before serving any notice of termination for nonpayment of rent.
  - A Landlord may serve this notice concurrently with any termination notice for nonpayment of rent before February 28, 2021.
  - If you have specific questions regarding this notice or how to move forward with an unlawful detainer, you should consult with an attorney.

# Notice of Termination of Tenancy for Nonpayment of Rent

- The following applies only to residential notices of termination of tenancy for nonpayment of rent served anytime between March 1, 2020, and June 30, 2021 (“Covered Period”):
  - Must be a 15-day notice, excluding weekends and judicial holidays.
  - Must contain an unsigned copy of a declaration of Covid-19 related financial distress, with verbatim language provided by the state.
  - At the very least, must be in the same language the lease was negotiated (English, Spanish, etc.)
  - Must specify the amount owed and apportion it by month based on the day it became due.
  - Must contain specific **verbatim** language from the CTRA
    - For notices that seek rent owed during the “protected” period the language comes from 1179.03(b)(4).
    - For notices that seek rent during the “transition” period, and were served before February 1, 2021, the language comes from 1179.03(c)(4).
    - For notices that seek rent during the “transition” period, and were served after February 1, 2021, the language comes from 1179.03(c)(5).

# Notice of Termination of Tenancy for Nonpayment of Rent

- What happens if a Landlord's notice does not comply with any of these requirements?
  - The Landlord's notice is defective.
  - If you reach the unlawful detainer stage, the case may be dismissed and depending on your written lease, a Landlord may owe attorneys' fees.
  - The notice requirements are retroactive and apply to rent owed during the "covered" period.

# Notice of Termination of Tenancy for Nonpayment of Rent

- What if a Landlord serves a notice based on rent owed that overlaps between the “protected” and “transition” time period?
  - The Landlord must serve two separate and distinct notices.
  - Each notice must comply with the separate rules governing the “protected” period and the “transition” period.
  - The language in each applicable notice is **verbatim** and issued by the state and cannot be modified.
  - Failure to use such language renders the notice void.

# Declaration of Covid-19 Related Financial Distress

- How does a Tenant take advantage of the protections under State law?
  - If the Tenant only owes debt during the “protected” time period, the Tenant needs only to return the signed declaration to the Landlord prior to the expiration of the 15-Day notice of termination of tenancy for the state law protections to attach . Once returned, the Landlord can **never** evict the Tenant for the debt owed during the protected time period.
  - If the Tenant owes debt during the “transition” time period, the Tenant must:
    - Return the signed declaration to the Landlord prior to the expiration of the 15-day notice of termination of tenancy ; **AND**
    - By June 30, 2021, pay 25% of the total amount of rent owed during the transition period.
    - If the Tenant does these two things, the Tenant can **never** be evicted for rent debt owed during the transition time period.

# Returning the Declaration

- How does a Tenant return the Declaration?
  - Through U.S. mail.
    - Tenants are encouraged to ensure they can track it and it is to the address provided in the notice.
  - In person.
  - Via email, if the notice provides for email.
  - Through the same method the Tenant delivers rent, if possible.
  - Tenants are encouraged to document the sending of the Declaration by any means possible.
  - Similarly, Landlords are encouraged to document the sending of any applicable notices and declaration forms.

# Returning the Declaration

- What happens if the Tenant does not submit the Declaration?
  - The Landlord may proceed with the filing of the Unlawful Detainer (“UD”) eviction lawsuit.
- Is there anything the Tenant can do?
  - Upon receiving the UD, the Tenant may attach, as part of their Answer, the Declaration.
    - Once the court receives the declaration, the court must set a noticed hearing.
    - At the hearing the court must determine whether the failure to submit the documentation was a result of a mistake, inadvertence, surprise, or excusable neglect.
    - If the court finds one of the aforementioned bases, the court must do either of the following:
      - If the UD seeks debt only during the “protected” time period, the court must dismiss the case.
      - If the UD is filed before July 1, 2021, and seeks debt during the “transition” time period, the court must dismiss the case.
      - If the UD is filed after July 1, 2021, and seeks debt during the “transition” time period, the court must give the Tenant five days to pay 25% of the total rent owed, and if paid, then dismiss the case.

# Recovering Rental Debt and the Richmond Order Grace Period

- Beginning August 1, 2021, Landlords may pursue COVID-19-related rental debt in Small Claims court. There are no limits to how much can be sought in each case and how many different cases may be brought.
- What about Richmond's grace period?
  - Richmond's grace period began September 30, 2020, and ends September 30, 2021.
  - The CTRA prohibits certain extensions of locally passed legislation for the repayment of COVID-19 rental debt. The latest version of the CTRA prohibits extensions of repayment periods beyond August 1, 2021.
  - Based on the applicable circumstances and factors, this means Landlords can likely seek COVID-19 related rental debt, which was incurred during the period of the Richmond Order (on or about March 16, 2020 to September 30, 2020), in Small Claims Court on or after August 1, 2021.
- What about the 25% rent payment requirement? How does that work with the grace period?
  - That is separate and distinct requirement as it is a requirement under the CTRA. Richmond's grace period will only protect Tenants from immediate Small Claims action. To avail oneself to the protections of the CTRA, the 25% of rent must be paid in accordance with the state law.

# Actions to Recover COVID-19 Rental Debt

- **Small Claims Court** – Small Claims actions shall not be brought before August 1, 2021. (See CCP 116.223(b)(3))
- **Security Deposits** – Prohibits a Landlord from applying a Tenant’s security deposit to satisfy COVID-19 rental debt. (See CCP 1179.04.5)
  - For duration of tenancy during “covered” period – Landlord may not apply a security deposit to satisfy rental debt unless Tenant agrees in writing.
  - No prohibition after tenancy ends, so long as in compliance with Civil Code 1950.5.
- **Attorney’s Fees** – Allows a court to limit awarding of attorneys’ fees to the prevailing party in COVID-19 rental debt cases. (For matters over \$500 if uncontested and \$1000 if contested). See CCP 871.11.

# Actions to Recover COVID-19 Rental Debt

- **Rental Assistance Prerequisite** – Landlords must now seek rental assistance prior to attempting to recover debt. See CCP 871.10.
  - Requires a Landlord seeking to recover COVID-19 rental debt to provide documentation that the Landlord has made a good faith effort to investigate if governmental rental assistance is available, seek government rental assistance, or cooperate with a Tenant’s efforts to obtain rental assistance from any governmental entity or third party.
- Court may reduce damages if court determines that Landlord refused to obtain rental assistance from the state’s rental assistance program.
- Actions shall not commence before July 1, 2021 (For Superior Court).
- This section does not apply to cases already pending before court as of January 29, 2021. If pending, such cases shall be stayed until July 1, 2021.

# Late Fees and Reductions in Service

- Pursuant to Civil Code 1942.9, if the Tenant has COVID-19 rental debt and has submitted a declaration of COVID-19-related financial distress, the Landlord cannot:
  - Charge late fees.
  - Increase fees or charge fees for services previously provided without charge.
- Under the same Civil Code, “a Landlord who temporarily reduces or makes unavailable a service or amenity as a result of compliance with federal, state, or local public health orders or guidelines shall not be considered to have violated lease or reduced services.”

# State Rental Assistance\*

- The Act provides incentives for Landlords and Tenants to mutually participate in obtaining assistance. (See Health and Safety Code 50897 et seq.)
- Offers participating Landlords 80% of a tenant's rental arrears as long as the Landlord forgives the remaining 20%. If Landlord accepts, they agree to release any other claims for rental debt, including claims for unlawful detainer.
- Offers Tenants a 25% payment for Landlords who refuse to participate in order to secure monthly rental payment eviction protection.
- Assistance provided shall include a receipt for both Tenant and Landlord.

# Anti-Retaliation: Civil Code 1942.5

- The Act amended part of an existing anti-retaliatory statute.
- The law added a new section specifically in reference to COVID-19 rental debt.
- The new section states, “It is also unlawful for a lessor to bring an action for unlawful detainer based on a cause of action other than nonpayment of COVID-19 rental debt, as defined in Section 1179.02 of the Code of Civil Procedure, for the purpose of retaliating against the lessee because the lessee has a COVID-19 rental debt.”
- Any lessor or agent of the lessor who violates this section shall be liable to the lessee in a civil action for:
  - Actual damages
  - Punitive damages (\$100 - \$2000 per retaliatory act)
  - Reasonable attorney’s fees (for any prevailing party if requested)
- This section, as far as the COVID-19 rental debt, ends on July 1, 2021.

# Other Important Provisions to Know

- Civil Code 1785.20.4 – Housing providers may **not** use alleged COVID-19 rental debt as a negative factor in evaluating housing application or as basis for refusing to rent.
- Civil Code 1788.65 – No person shall sell or assign any unpaid COVID-19 rental debt for time period between March 1, 2020 – June 30, 2021. Ends July 1, 2021.
- Civil Code 1788.66 – No person shall sell or assign any unpaid COVID-19 rental debt for time period between March 1, 2020 – June 30, 2021 of any person who would have qualified for rental assistance and person is below 80% AMI. (Indefinite).

# Contra Costa County Urgency Ordinance 2021-11

- The Contra Costa County Board of Supervisors voted to extend their Ordinance on or about March 23, 2021.
  - Prohibits no fault evictions
    - Except for Owner Move In evictions, for health or safety reasons, and Ellis Act (removal from the rental market) evictions.
  - Prohibits evictions where tenant allows an unauthorized occupant to live in the dwelling unit, if the occupant is a member of the tenant's immediate family living in the dwelling unit and the occupant moved in as a result of the COVID-19 pandemic.

# Contra Costa County Urgency Ordinance 2021-11

- The Ordinance prohibits certain commercial evictions through June 30, 2021.
- According to the Richmond City Attorney's Office, the County's Ordinance:
  - Prohibits rent increases on residential real property through June 30, 2021.
  - Includes rent-controlled units in the City of Richmond.
  - Except for the following:
    - Units that fall under Costa Hawkins
    - Units exempted from State law rent control
    - Rent increases where one or more scheduled rent increases occur pursuant to a written rental agreement that was entered into before March 16, 2020.
- Reminder: This is the Contra Costa County's Order, not the Rent Program's. Although the Rent Program may assist in answering general questions regarding the County's Ordinance, you may want to contact the County for more specific questions.