

PRESS RELEASE



City of Seal Beach
211 Eighth Street
Seal Beach, CA 90740

April 8, 2020

Contact: Patrick Gallegos, Assistant City Manager
Phone: (562) 431-2527 ext. 1308
Email: pgallegos@sealbeachca.gov

City Council Adopts an Urgency Ordinance to Prohibit Residential and Commercial Evictions

SEAL BEACH, CA. – The Seal Beach City Council has adopted a ban on both residential and commercial evictions for nonpayment of rent in the event tenants are unable to pay all or part of rent due as a result of significant financial losses attributable to the current COVID-19 emergency. Effective immediately, the City Council voted unanimously to adopt the urgency ordinance, which also bans “no-fault” evictions, where a tenant is simply evicted for no reason, during the period of the emergency. The City Council took action to protect public health and safety recognizing the potential impacts of the local emergency.

The State of California is currently in a state of emergency related to the COVID-19 virus. Recognizing the potential enormous impact of the current “stay at home” orders on residents and businesses, some cities in Orange County, and throughout the State, also have banned residential and/or commercial evictions for nonpayment of rent along with a temporary prohibition on “no-fault” evictions. Governor Gavin Newsom has issued an Executive Order that authorizes cities to adopt these kinds of restrictions to protect public health and safety. He issued another Executive Order that extends the time a tenant has to respond to an eviction lawsuit; although it does not prohibit landlords from starting eviction proceedings. The City Council’s action prohibits landlords from starting eviction proceedings when they know a tenant is unable to pay all or part of rent due as a result of the COVID-19 emergency.

To be protected under this ordinance, a tenant must notify the landlord in writing that the tenant is unable to pay all or part of the rent due because of financial impacts related to COVID-19 within 7 days of the rent due date. Then, within 30 days of the date rent was due, the tenant must provide documentation of the financial impacts related to COVID-19 to the landlord, with documents specified in the ordinance. Summarized, the financial documents must show a significant loss of income or business, or substantial additional costs for medical care or child care as a result of the emergency.

This ordinance does not allow tenants to avoid paying rent. Tenants are required to pay as much as they are able to pay, and to repay the full amount due within six months following the end of the local emergency. After that six month period, landlords are entitled to have the full amount paid, to charge late fees, and to start eviction proceedings if rent remains unpaid. Landlords and tenants are strongly encouraged to communicate, and to work out payment arrangements that are helpful to both parties. Tenants who are not impacted by COVID-19 in a way that prevents them from paying rent must continue to pay.

In the midst of a “stay at home” order in effect throughout the State, helping people protect their right to stay in a residence is important. Persons who may be evicted during the emergency would create additional strains on the system, and create more public health risks. Many rental property owners and associations have stated that they will work with affected tenants to avoid evictions during this time. However, a local ban may provide additional assurance to residential tenants. Staff and City Councilmembers also have heard from commercial tenants, especially small businesses that are at risk of being unable to pay rent. Commercial evictions during the emergency could harm public health and safety, and could inhibit the region’s ability to recover economically at the end of this emergency.

The City Council recognizes that an eviction ban will have significant financial impacts on landlords as well, unless banks and creditors provide some relief to them. The City is informed that federally backed banks, the Small Business Administration, and some other financial institutions are providing some relief to property owners. The City will continue to monitor the situation and provide information to all residents and businesses.

#####