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Subject: FW: Items 2 and 12, Council Meeting tonight 4-7; RE Eviction Ordinance Related to Covid-19
Attachments: Letter - Written Testimony Items 2 and 12 Council Meeting 4-7-2020.pdf

From: Mitchell Thompson <[REDACTED]>
Sent: Tuesday, May 26, 2020 12:31 PM
To: CityClerk <CityClerk@chulavistaca.gov>; Mike Diaz <mdiaz@chulavistaca.gov>; Mary Salas <MSalas@chulavistaca.gov>; Jill Galvez <jmgalvez@chulavistaca.gov>; Steve C. Padilla <spadilla@chulavistaca.gov>; John McCann <jmccann@chulavistaca.gov>; Gary Halbert <GHalbert@chulavistaca.gov>; Glen Googins <GGoogins@chulavistaca.gov>
Subject: Re: Items 2 and 12, Council Meeting tonight 4-7; RE Eviction Ordinance Related to Covid-19

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Correspondence Related to Item 13, May 28, 2020, agenda.

Madam Mayor and Members of the City Council:

Subject: Item 12-- EMERGENCY ORDINANCE AMENDING EMERGENCY ORDINANCE 3486-A [EVICION MORATORIUM ORDINANCE] OF THE CITY OF CHULA VISTA TO EXTEND THE TERMINATION DATE OF THE ORDINANCE FROM MAY 31, 2020 TO JUNE 30, 2020 (INTRODUCTION AND ADOPTION; 4/5 VOTE REQUIRED) (FIRST READING)

Since the contents of my original testimony when the Ordinance was originally approved remains relevant, I wish to submit this email along with my original correspondence dated April 7th (attached) as written testimony for today's council meeting.

Respectfully Submitted,

Mitch Thompson

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Mitch Thompson, RE Agent
Neighborhood Real Estate Services
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San Diego, CA 92114-1925
[REDACTED]

Mitch Thompson
Thompson Consulting
[REDACTED]

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April 7, 2020

The Honorable Mary Salas, Mayor & Councilmembers
City of Chula Vista
Attn: Chula Vista City Clerk
276 Fourth Ave.
Chula Vista, CA 91910

Dear Madam Mayor and Councilmembers:

SUBJECT: Written Comments - April 7th Council Agenda, Items 2 & 12 Related to
Emergency Ordinance and Regulations Regarding Evictions

You had a first reading of the aforementioned Ordinance in early March and are conducting the second reading of the Ordinance today. The ordinance has some provisions which hopefully the Council will address either now or in the immediate future. Some of those issues are identified in the Implementing regulations. The general problem with those implementing regulations is that many of the provision are advisory ONLY and not mandatory and therefore are not enforceable. Below are nmy continuing issues with the Ordinance and the implementing regulations:

1. Section I(1) (A) makes it unlawful for a landlord to issue a notice to Pay Rent or Quit if he “knows” that a tenant cannot pay the rent. “Knowing” is defined as receiving a notice within 30 days after the date the rent is due. Does that mean landlords are simply prohibited from issuing a 3 day notice until 30 days after the rent is due since one cannot know if a tenant will submit a notice until 30 days have passed? Or, can a landlord issue a 3 day notice on the fifth day of the month, as is customary, if no notice of income drop is received from the tenant by the owner?
2. There is no means test regarding partial rental payments in the Ordinance. With the adoption of implementing regulations (Item 12) a drop of 30% of the tenant’s prior income will be that test. If their income has dropped less than 30%, it is presumed that a tenant is not protected under the ordinance and can be evicted for non-payment of the full rent during the moratorium period. Is that true?
3. Mandatory partial rent payment needs to be covered with the ordinance. The regulations somewhat address the idea of partial payment but partial rent payment is only advisory. Therefore, if a tenant’s income has dropped, the Ordinance still completely protects a tenant who pays nothing at all even if their income has only been partially reduced, as will be the case with nearly all tenants. Tenants must be required to make partial payments. Your regulations advise 40% of income toward rent. That needs to be mandatory and you need to allow a property owner to evict if a tenant is not paying that portion.

4. There needs to be a maximum aggregate amount of rent that can be deferred by any tenant. A suggestion would be an amount equal not more than 3 months of rent. Landlords, particularly small landlords are not able to simply defer huge amounts of rent while still paying for all services, repairs, taxes, insurance and debt. The average rent in Chula Vista is around \$1,815. Therefore, three months of deferred rent to a single tenant would total \$5,445. A landlord should not have to “lend” more money than that to any tenant. How do you expect the owner to stay in business?
5. Even with the 2nd reading, there is no expiration date on this Ordinance. There needs to be an expiration date and the Council needs to revisit this matter in the very near future.
6. The Council needs to monitor the impact of this Ordinance. Nothing in item requires anyone in the City to provide periodic reporting to the Council on how this Ordinance is affecting Chula Vista property owners.

My wife and I are small property owners. We rely on our rental property income for about 75% of our total income and we are not eligible for income support from unemployment insurance or anything else for that matter. We live a modest life. Our home is a 40 -year old 1600 square foot track home in the oldest subdivision in Rancho Del Rey. We understand the dire circumstances and threat that we all face related to the Covid-19 virus and property owners, like everyone in the community, need to share in the pain caused by this pandemic. Notwithstanding that fact, the Council needs to adopt a balanced approach where small property owners like myself are not overburdened with unfair obligations to shoulder an inordinate share of the financial burden of this pandemic on our community.

Respectfully Submitted,



Mitch Thompson
Chula Vista Small Property Owner
760 Arroyo Ct
Chula Vista, CA 91910

cc: Mr. Glen Googins, City Attorney