



**DRAFT MINUTES
CUPERTINO CITY COUNCIL
Tuesday, March 24, 2020**

SPECIAL CITY COUNCIL MEETING

At 6:00 p.m. Mayor Steven Scharf called the Special City Council meeting to order. This was a teleconference meeting with no physical location.

ROLL CALL

Present: Mayor Steven Scharf, Vice Mayor Darcy Paul, and Councilmembers Liang Chao, Rod Sinks, and Jon Robert Willey. Absent: None. All Councilmembers teleconferenced for the meeting.

ORDINANCES AND ACTION ITEMS

1. Subject: Urgency Ordinance Imposing a Moratorium on Evictions for Nonpayment of Rent by Tenants Impacted by the COVID-19 Pandemic
Recommended Action: 1. Conduct the only reading and adopt Ordinance No. 20-2201: "An Urgency Ordinance of the City Council of the City of Cupertino Enacting an Immediate Temporary Moratorium on Evictions Due to Nonpayment of Rent for Residential Tenants Where the Failure to Pay Results from Income Loss Resulting from the Novel Coronavirus (COVID-19), and Setting Forth the Facts Constituting Such Urgency."

Specifically, the ordinance would:

- A. Invoke the urgency provisions in Government Code section 36937, as an urgency measure for immediate preservation of the public peace, health or safety, to temporarily prohibit the eviction of a tenant for nonpayment of rent, if that tenant meets the criteria listed in the ordinance regarding COVID-19; and
- B. Provide that the moratorium will be in effect as provided in the Council's adoption of a resolution declaring the commencement and making findings regarding COVID-19 and that such moratorium will expire in forty-five days unless extended.

2. Adopt Resolution No. 20-030, A Resolution of the Council of the City of Cupertino Declaring the Commencement of a Forty-Five Day Moratorium on Evictions Due to Nonpayment of Rent for Residential Tenants Where the Failure to Pay Rent Results from Income Loss Resulting from the Novel Coronavirus (COVID-19), and Setting Forth the Facts Constituting Such Urgency.
3. Conduct the first reading of Ordinance No. 20-2202: "An Ordinance of the City Council of the City of Cupertino Enacting a Temporary Moratorium on Evictions Due to Nonpayment of Rent for Residential Tenants Where the Failure to Pay Rent Results from Income Loss Resulting from the Novel Corona Virus (COVID-19)."

Specifically, the ordinance would:

- A. Temporarily prohibit the eviction of a residential tenant for non-payment of rent, if that tenant meets the criteria listed in the ordinance regarding COVID-19; and
- B. Provide that the moratorium will be in effect as provided in the Council's adoption of a resolution declaring the commencement and making findings regarding COVID-19 and that such moratorium will expire in forty-five days unless extended.

Written Communications for this item included revised Attachments A - Draft Urgency Ordinance, B - Draft Resolution, and C - Draft Ordinance, Santa Clara County Board of Supervisors Eviction Moratorium Ordinance No. NS-9.287, and emails to Council.

City Attorney Heather Minner gave an update on the County's recently adopted eviction moratorium Ordinance.

Deputy City Attorney Joseph Petta reviewed the staff report.

Councilmembers made comments and asked questions

Mayor Scharf opened public comment and City Clerk Kirsten Squarcia read the following emails.

- on behalf of Jenny Zhao, President of BAHN Representative (opposed), asking Council not to consider the moratorium since similar laws have already passed and to also provide help to rental property owners.
- on behalf of Meina Young, small property owner (opposed), stating that a City moratorium is not needed since restrictions are already in place.

Mayor Scharf closed public comment.

Council took no action on an Urgency Ordinance Imposing a Moratorium on Evictions for Nonpayment of Rent by Tenants Impacted by the COVID-19 Pandemic and continued the discussion to Item 2.

2. Subject: Emergency Assistance Funds for Tenants at Risk of Eviction due to Impacts of by the Novel Coronavirus (“Emergency Assistance Funds”)
Recommended Action: Adopt Resolution No. 20-031 to:
 1. Authorize \$350,000 in funds directed towards the Emergency Assistance Fund for tenants at risk of eviction due to impacts of the coronavirus disease (COVID-19)
 2. Authorize the City Manager to negotiate and execute an agreement with West Valley Community Services to implement the Emergency Assistance Funds program.

Written Communications for this item included a revised staff report and emails to Council.

Housing Manager Kerri Heusler reviewed the staff report.

Councilmembers made comments and asked questions.

West Valley Community Services Associate Executive Director Sujatha Venkatraman answered questions from Council.

Mayor Scharf opened public comment and, seeing no comments, closed public comment.

Council took no action on Emergency Assistance Funds for Tenants at Risk of Eviction due to Impacts of by the Novel Coronavirus (“Emergency Assistance Funds”) and continued the discussion to Item 3.

3. Subject: Consideration of an Emergency Ordinance to provide tenant protection to commercial tenants.
Recommended Action: In consideration of the following policy considerations, it is staff’s recommendation that Council not impose a moratorium on commercial evictions at this time due to the unique nature of commercial leasing and the State and Federal resources currently available to business owners. Furthermore, the City does not currently have the staffing resources nor allocated budget to develop meaningful loan or grant programs for small businesses. It is recommended staff continue to facilitate business owners’ participation in Federal, State, and regional economic relief programs.

Economic Development Manager Angela Chen reviewed the staff report.

West Valley Community Services Associate Executive Director Sujatha Venkatraman answered questions from Council.

Vice Mayor Paul read the following emails.

- on behalf of a resident, noting Berkeley's COVID-19 relief fund to the arts and small business community.
- on behalf of a resident, in support of purchasing redeemable vouchers to help local small businesses.

Council took no action on Consideration of an Emergency Ordinance to provide tenant protection to commercial tenants.

Council provided the following direction for Item Nos. 1, 2, and 3.

- Follow the County eviction moratorium Ordinance in effect.
- Hold off on using any City funds for rental assistance currently.
- In favor of exploring a possible loan program instead of a grant program.
- City Manager to work with other city managers for solutions on implementing a loan program for rental assistance; also discuss a no-interest, long-term loan of 1 - 2 years for various members of the community; and find out about potential contributions from corporations.
- Collaborate with the other West Valley Cities that are part of West Valley Community Services (WVCS) network to come up with a plan for funding it.
- Work with WVCS on immediate grant funding needs and come back with an item to consider allocating \$55,000 for non-rental assistance; provide funds for those immediate needs and explore State and Federal funding that may become possible.
- Provide an understanding of how the City's general fund might be impacted by loss of certain sales taxes and hotel taxes due to the crisis and assess what expenditures can be postponed.

- Come back with information by March 31 or as soon as possible.

ADJOURNMENT

At 7:56 p.m. Mayor Scharf adjourned the meeting.