

COVID-19 RENTAL DEBT

What you need to know

October 21, 2021, 12-1pm

Presented by:



LOS ANGELES COUNTY
**CONSUMER &
BUSINESS AFFAIRS**

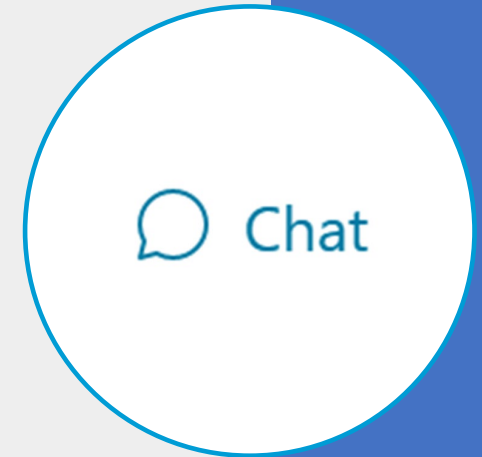


AGENDA

- **What is COVID-19 rental debt?**
Kelsey Atkinson, LAFLA
- **How can Rental Assistance help me?**
Rental Assistance Information & Resources
Lorrie Blevins, Housing is Key
- **How does small claims work?**
Small Claims Information & Resources
Nick Aquino, DCBA
Kelsey Atkinson, LAFLA
- **What are alternatives to going to court?**
Mediation Information & Resources
Tanzila Huda, DCBA

Optimize Your Experience

- Keep the chat box open. Look for this symbol to open the chat box
- Use the chat box to ask questions
- Questions will be answered at the end of the presentation during the Q&A session



Let us know
how we can do
better!

At the end of this presentation
please take a moment to
complete a short survey.

What is COVID-19 Rental Debt?



Presented by:
Kelsey Atkinson
Renters Small Claims Project Attorney
Legal Aid Foundation of Los Angeles

If you have received an eviction notice
contact **Stay Housed LA**

Online: <https://www.stayhousedla.org/>

Phone: 1-888-694-0040

**Owe
Rent?
Eviction
Notice?**



Stay Housed L.A. County has the resources you need to
know your rights and the legal assistance to back them up.

What is COVID-19 rental debt?

Throughout the pandemic, tenants impacted by COVID-19 could not be evicted for failure to pay rent if:

From March 1, 2020 - August 31, 2020	From September 1, 2020 - September 30, 2021
<p>Submitted declaration of COVID-19 related hardship</p> <ul style="list-style-type: none">• Can be submitted retroactively• Only one declaration required for the entire period	<p>Submitted declaration of COVID-19 related hardship to landlord <u>monthly</u></p>

These protections ended on September 30, 2021...

What is COVID-19 rental debt?

From now on, to avoid eviction tenants must:

Pay 25% of rent for the period from
September 1, 2020 – September 30, 2021
AND

Pay rent in full for October 2021 onwards

**You receive rental assistance to cover up
to 18 months of rental payments**

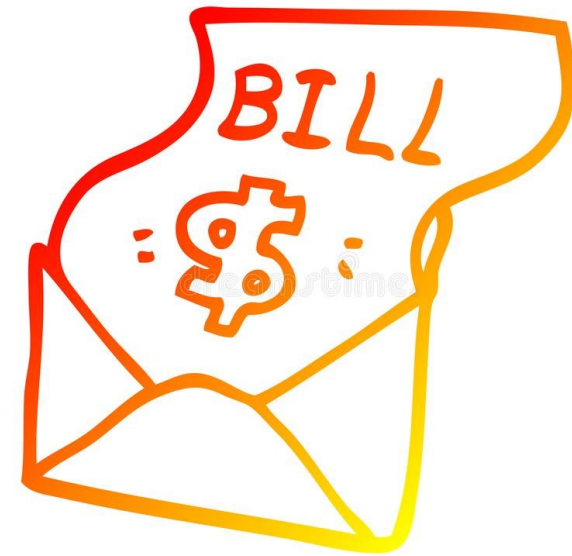


What is COVID-19 rental debt?

Tenants still must pay back the remaining rent they could not pay during the pandemic ...

This back rent is called **COVID-19 rental debt**

COVID-19 rental debt is considered a consumer debt



What is COVID-19 rental debt?

How much COVID-19 rental debt a tenant owes can depend on if they have received rental assistance:

State law guarantees that qualifying households will have 100% of their COVID-19 rental debt covered

Landlords or tenants can start an application for rental assistance via Housing is Key



What is COVID-19 rental debt?

If a tenant does not or cannot pay the COVID-19 rental debt, then their landlord may sue them for it **starting NOVEMBER 1, 2021**

Landlords can sue in small claims court or general civil court

A SUIT FOR COVID-19 RENTAL DEBT IS NOT AN EVICTION

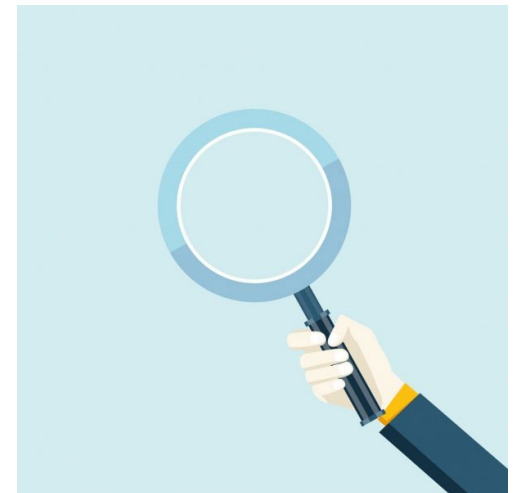


What is COVID-19 rental debt?

To sue for COVID-19 rental debt, landlords must show that they have made a good faith effort to:

- **Investigate** whether rental assistance is available to the tenant
- **Cooperate** with tenants' efforts to obtain rental assistance; OR
- **Sought** rental assistance for the tenant

CCP § 871.10(a)



What is COVID-19 rental debt?

Additional rules that apply to COVID-19 rental debt:

- Landlords may not charge late fees or interest on rent from March 1, 2020 to September 30, 2021.
- If the tenant still lives in the unit, landlords may not apply the security deposit to rental debt without tenant's written permission.
- COVID-19 rental debt may not be sold or assigned in certain cases.



How can rental assistance help me?



Presented by:
Lorrie Blevins
Section Chief, Emergency Rental Assistance Program
Housing is Key



CA COVID-19
RENT RELIEF

State of California's COVID-19 Rent Relief Program

October 21, 2021

Thumbnail Sketch: CA COVID-19 Rent Relief Program

- State program application portal launched March 15, 2021.
- Program Focus: Stabilize low-income households through the payment of rental arrears to landlords and tenants.
- Over 135 organizations in our Local Partner Network with “boots on the ground” to assist people in their communities.
- As of 10/19, close to \$900 million in rental assistance and utilities assistance has been paid to 75,864 households.

**Help is available
for landlords and
tenants.**

Visit HousingIsKey.com to learn more.



CA Rent Relief Program Parameters

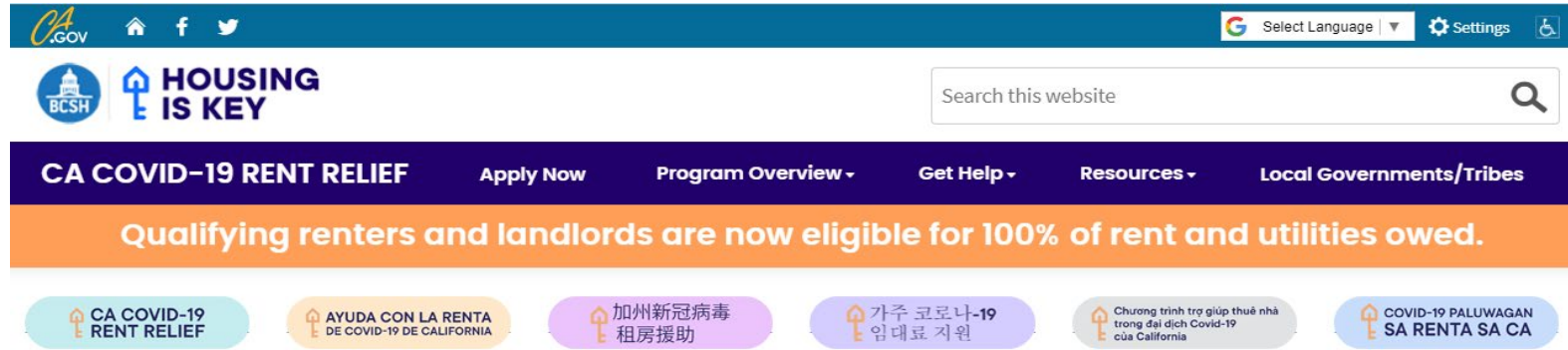
- Landlord and tenant applicants are compensated 100% for:
 - Unpaid rent accrued on or after April 1, 2020 (for a maximum of 18 months)
 - Current and Prospective rent (in 3-month increments)
 - Utilities (past)
- Non-Occupancy Payments: Allows rental assistance to be paid in situations where tenant has vacated the premises but still owes rental arrears.
- Payments to Landlords or Tenants: Requires tenants that receive direct payments to remit the payment to the landlord within 15 business days or face a penalty.

Eligibility, Prioritization & Eligible Uses

- Eligibility
 - Income must be below 80% AMI.
 - Risk of experiencing homelessness or housing instability.
 - Experienced financial hardships due, directly or indirectly, to COVID-19.
 - No proof of citizenship or immigration status required.
- Prioritization to those most at risk of eviction and impacted by COVID-19.
- Eligible uses to include rental arrears, prospective rent, utility arrears, and other housing related services.



How and where to apply: HousingIsKey.com



Need help with unpaid rent or utilities?

The CA COVID-19 Rent Relief program provides financial assistance for unpaid and/or future rent and utilities to income-eligible California renters and their landlords who have been impacted by COVID-19.

Both renters and landlords can apply for assistance.

Depending on the address of your rental property, you may be eligible for a local program. Click [Apply Now](#) to determine which program is right for you.



[APPLY NOW](#)

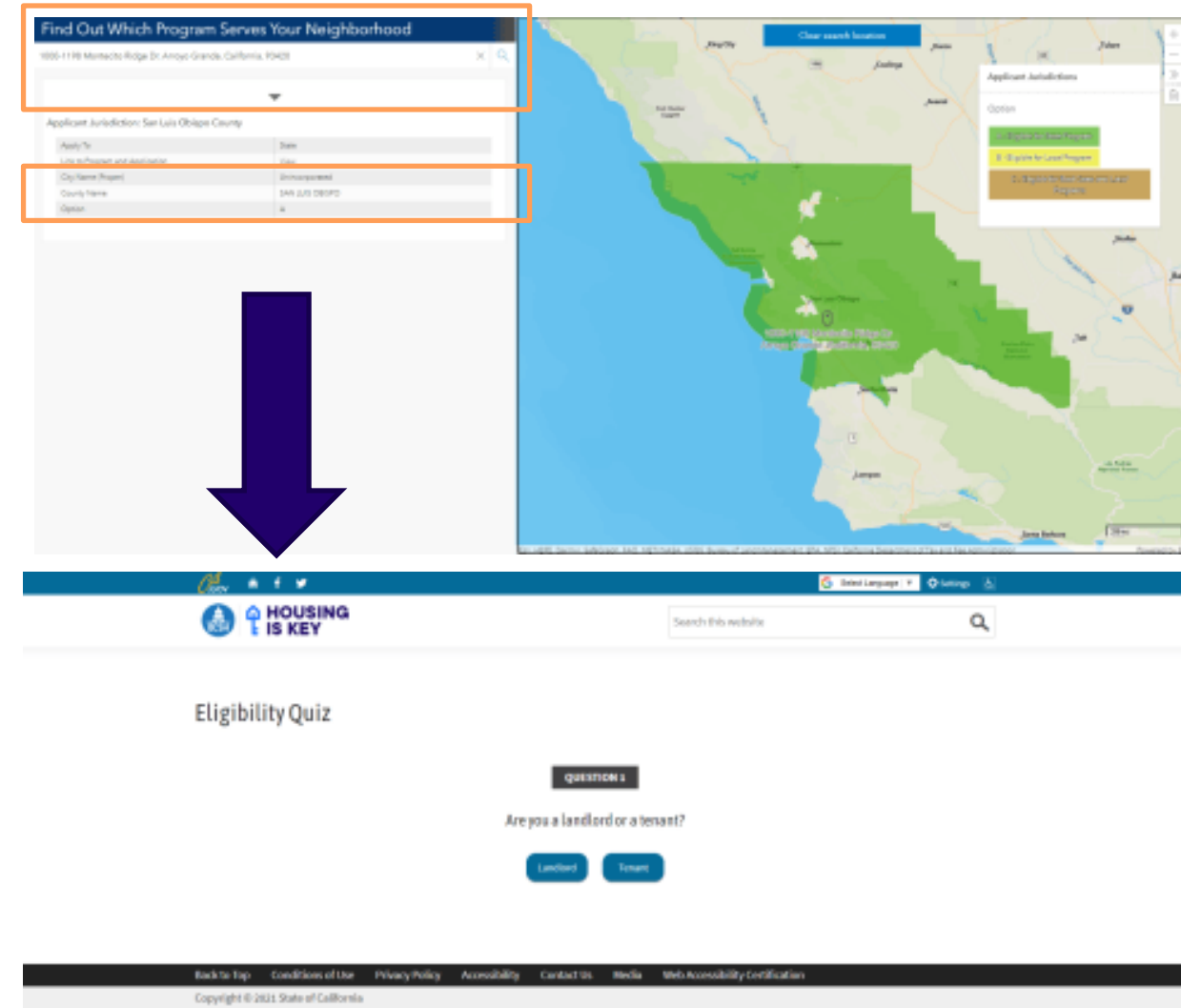
Have you already started an application? [Click here to continue](#) or refer to the email you received when you started your application.



**CA COVID-19
RENT RELIEF**

Checking Unique Addresses

- GIS Map to enter address and check program option:
<https://www.arcgis.com/apps/instant/lookup/index.html?appid=f32435102af34d24a7420ffc432a33a6>
- Also accessible via the Pre-Application Eligibility Quiz
- Designed as a “no wrong door” system. The state program will re-direct an applicant to either state or the correct local program website, depending on where they live.



State Program Pre-Application Checklist: What Information Do Tenants and Landlords Need to Apply?

RENTERS:

ONE of the following:


- Your 2020 Tax Return
- 2020 W2 and 1099G if you were unemployed
- Current pay stubs
- Proof of participation in a state or federal subsidy program such as CalFresh or CalWORKS (your 2020 or 2021 acceptance or renewal letter is preferred).

AND — IF YOU ARE APPLYING FOR HELP WITH UTILITY BILLS:

- Utility invoices or statements for any unpaid utility, water, trash, and internet bills after April 1, 2020.

LANDLORDS:

ONE of the following:

-  Lease or rental agreement reflecting renter's name, residence address, and monthly rent due
- Rent ledger or rent statement showing the balance of unpaid rent from April 1, 2020
- W-9 (for tax purposes)

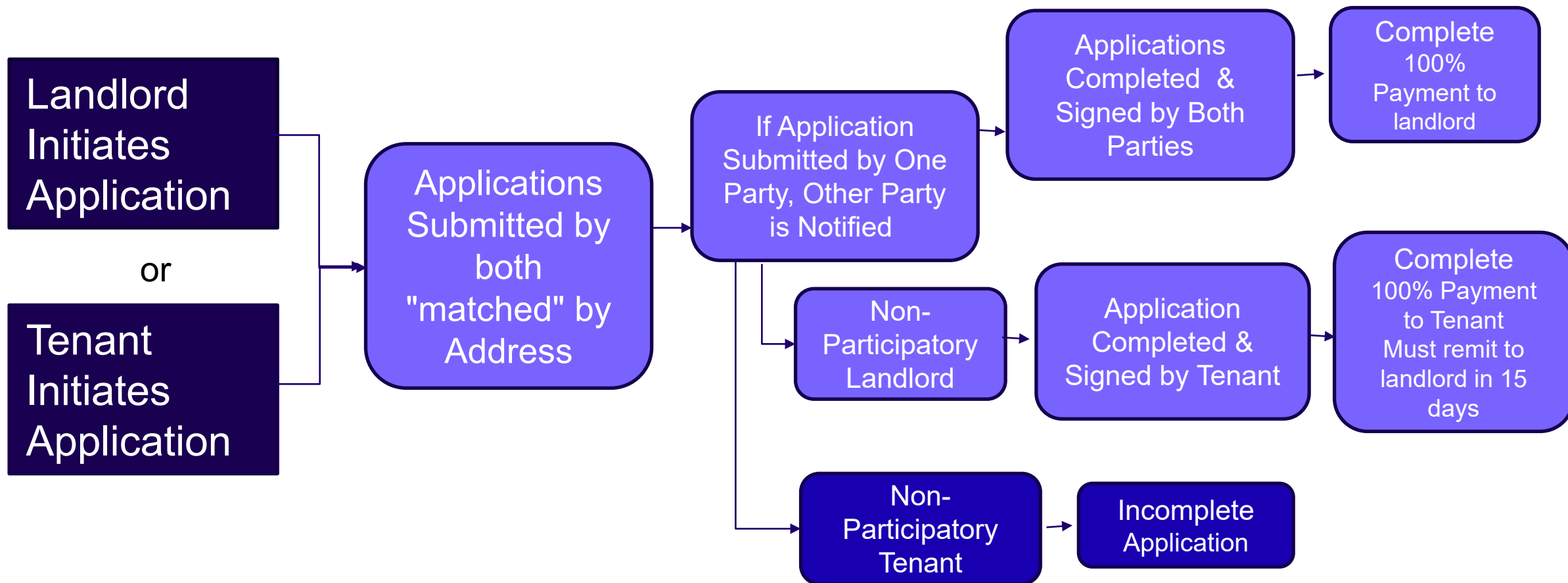
The Application is designed to give flexibility in HOW a tenant or landlord can meet these requirements.

The Pre-Application Checklist lists recommended documents, but an Applicant may also work with a Case Manager to find alternatives if necessary.



State Program: How Does the Application Process Work?

- Landlords and Tenants May Both Apply



Program Improvements

- New simplified application
 - Uptick in applications submitted
 - Less time to complete
 - Quicker to review
- Website fully translated in six languages
- Easier to navigate website



It just got easier to apply for rent and utility relief!

- ✓ Simplified questions
- ✓ Fewer documents to upload
- ✓ Takes less time to complete

Check eligibility and apply at HousingIsKey.com or call 833-430-2122.

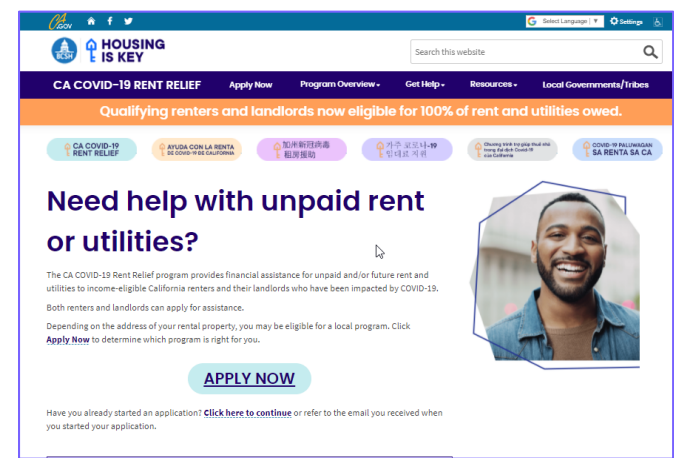
  CA COVID-19 RENT RELIEF

How is the State Communicating with Landlords and Tenants?

- **Housing is Key Covid 19 Rent Relief communications and education campaign**
 - Statewide multilingual program awareness, eligibility and access.
 - Partnered with Urban Footprint to use eviction risk indices and focus paid advertising toward communities with higher eligibility rates.
- **Local Partner Network (LPN)**
 - Managed by state partner LISC, a national CDFI with a large CA presence.
 - +/- 100 organizations within Option A and Option C jurisdictions.
 - Ground effort via paid and unpaid partnerships to increase awareness and support access to the program.
- **United Way 211**
 - 211 Call capability for multilingual basic information on the program.
 - 211-211 “Rent” SMS/Text functionality across the state for basic program information.



Excerpt from Program Flyer



Landing Page

New Landlord Obligations

October 1, 2021 – March 31, 2022

CCP Part 3, Title 3, Chapter 6 (commencing with Section 1179.08)

AB 832 Overview

- Extends same tenant and property owner protection provisions provided by AB 3088 and SB 91 until September 30, 2021.
- Implements a modified process for unlawful detainer actions based on nonpayment of rent between October 1, 2021, and March 31, 2022.
- Updates and expands the state's Emergency Rental Assistance Program.



AB 832 Temporary Court Process

- After September 30, 2021, a modified civil procedure will be in effect from October 1, 2021, until March 31, 2022.
- Key Components are:
 - End of the state eviction protections
 - Return to 3-day “Pay or Quit” Notices
 - Requires landlords to apply for rental assistance before proceeding with unlawful detainer



End of the State's Eviction Protections

- Tenants can no longer submit a “Declaration of Covid-19 Related Financial Distress” in lieu of paying rent
- Tenants who did not pay 25% of their total rent due between Sept 1, 2020 and Sept 30, 2021 by September 30th may be evicted for failure to pay their rent
- Most pre-AB 3088 eviction laws go back into effect

Quick Reference: Links & Phone Numbers

- COVID 19 Rent Relief Call Center: 1-833-430-2122
- Local Partner Appointment Center: 1-833-687-0967
- Address Look Up: which program serves where you live – <https://www.arcgis.com/apps/instant/lookup/index.html?appid=f32435102af34d24a7420ffc432a33a6>
- Rent Relief Program Stats Dashboard – https://housing.ca.gov/covid_rr/dashboard.html
- Local Partner Organization Look Up – https://housing.ca.gov/covid_rr/get_help.html#lpn

Questions / Comments?

Landlord / Tenant / AB 832 Information
[Housingiskey.com](https://housingiskey.com)

Facebook/Twitter: @HousingIsKey



How does small claims court work?



Presented by:
Nick Aquino
Small Claims Supervisor
Los Angeles County of Business & Consumer Affairs



Kelsey Atkinson
Renters Small Claims Project Attorney
Legal Aid Foundation of Los Angeles



COVID-19 BACK- RENT

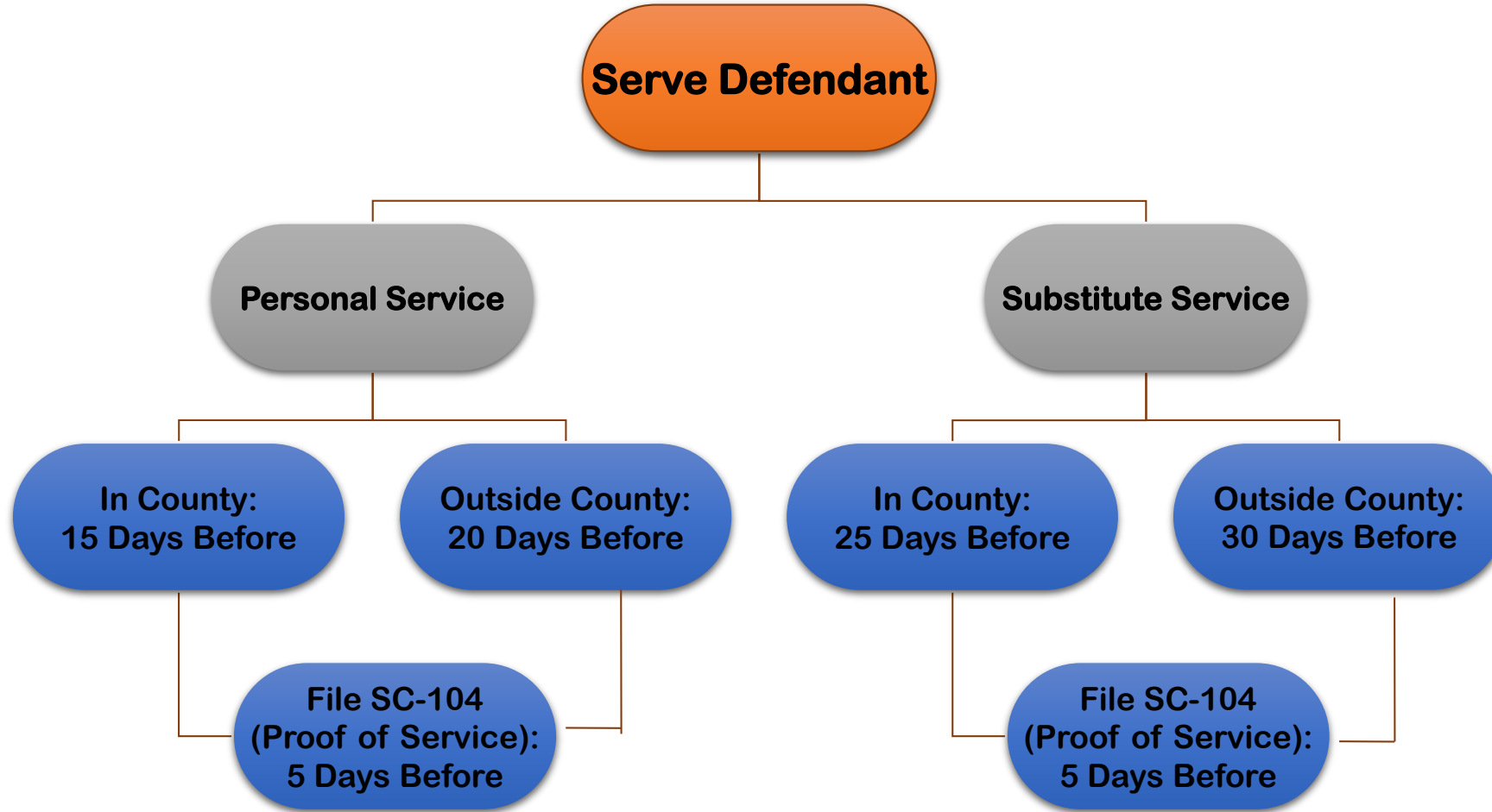
Starting November 1, 2021 renters can be sued in Small Claims court for any amount, even if it exceeds \$10K, for unpaid COVID-19 rental debt.

FORMS

For actions to recover COVID-19 rental debt in Small Claims court:

- SC-500 - New Plaintiff's Claim and ORDER to Go to Small Claims Court (COVID-19 Rental Debt)
- SC500A - New Other Plaintiffs or Defendants (COVID-19 Rental Debt)
- SC-500-INFO - New COVID-19 Rental Debt in Small Claims Court
- Revised forms SC-100, SC-103, and SC-104B

TYPES OF SERVICE





- If you want to appear remotely; must register prior to court date
- FREE service

Make your court appearances from the home, the office, anywhere.

EXCHANGE AND SUBMISSION OF EVIDENCE

Each party who wishes to submit evidence is ordered to exchange and submit evidence to the court at least ten (10) days prior to the hearing and show proof of compliance



LASC CIV 278
&
LASC CIV 279

Online Dispute Resolution (ODR) Small Claims



What is ODR?

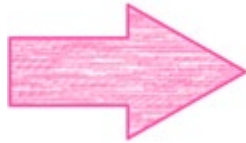
ODR (Online Dispute Resolution) helps people resolve their legal disputes online, by computer, without meetings or phone calls.

Parties must register within five (5) calendar days of receipt of the Notice.

Consumer and Business Affairs, Small Claims Resource Page:

<https://dcba.lacounty.gov/small-claims/>

- ❖ Videos, Webinars, Sample Forms and Q&A's on a variety of Small Claims topics.
- ❖ For a complete overview of Small Claims, watch this video



LAFLA Tenant Small Claims Workshops

LAFLA will be hosting Renters Small Claims Workshops to assist tenants with:

- Reviewing small claims court documents
- Preparing for small claims court hearing

You must represent yourself in the small claims hearing

For more information on workshops visit:

<https://lafla.org/covid-resources/renters-small-claims/>

or call 800-399-4529



What are the alternatives to court?



LOS ANGELES COUNTY
**CONSUMER &
BUSINESS AFFAIRS**

Presented by:

Tanzila Huda

Certified Mediator

Los Angeles County of Business & Consumer Affairs

MEDIATION

An **ALTERNATIVE** to **LITIGATING COVID-19 DEBT DISPUTES**

LA COUNTY DEP OF CONSUMER AND BUSINESS AFFAIRS (DCBA) DISPUTE RESOLUTION PROGRAM

- ▶ The Los Angeles County Department of Consumer & Business Affairs (DCBA) was established on July 1, 1975.
- ▶ We offer several specialized services such as:
 - ❖ **MEDIATION**
 - ❖ Consumer Counseling
 - ❖ Small Claims Advisory
 - ❖ Wage Enforcement
 - ❖ Rent Stabilization
 - ❖ Fraud Investigations
 - ❖ Foreclosure Prevention
 - ❖ Office of Immigrant Affairs
 - ❖ Office of Cannabis Management

ALL DCBA services are **FREE!**



WHAT IS MEDIATION?

- ▶ Mediation is a confidential, dialogue-based process, where a mediator assists two or more parties in resolving their disagreements. The participation by both parties must be voluntary. The goal is to find a mutually acceptable solution to the problem.



WHAT is the
ROLE of
MEDIATORS
in the
MEDIATION
PROCESS?

THIRD PARTY

NEUTRAL

IMPARTIAL

GUIDES THE DIALOGUE

HELPS THE PARTIES TELL THEIR STORIES

**ASSISTS THE PARTIES IN EXPLORING
OPTIONS OR SOLUTIONS**

**DRAFTS LEGALLY ENFORCEABLE AGREEMENTS/
COURT-STIPULATED AGREEMENTS**

MEDIATION

Confidential

Collaborative

Encourages Cooperation

Informal

Free

Relatively Quick Process

Relaxed Pace

Emotionally Satisfying

Multiple & Versatile Communication
Platforms

YOU decide the outcome

LITIGATION

Public

Adversarial

Fight/Win-Lose

Formal

Expensive

Time Consuming

Stressful

Emotionally Draining

Limited Communication
Platforms

Judge or Jury decides the
outcome

HOW MEDIATION CAN HELP LANDLORDS and TENANTS RESOLVE COVID-19 DEBT

- ▶ **BEFORE** any lawsuits are filed in court
- ▶ **AFTER** lawsuits are filed in court

Mediation is an **EXCELLENT** alternative
to going to court!



HOW TO SUBMIT A MEDIATION REQUEST


Online Mediation Request:

dcba.lacounty.gov

Click “Mediation”

Select “Online Mediation Request Form”

Either landlord or tenant may submit a mediation request



**MEDIATION
PROCESS**

Dispute, Communication, Closure

INFORMATION NEEDED TO COMPLETE THE MEDIATION REQUEST:

1. Full Names of the two parties
2. Addresses of the parties
3. Phone Numbers where the parties can be contacted by the mediator
4. Email Addresses
5. A **BRIEF** description of the dispute
6. A Brief statement of the **Desired Resolution**



TIPS for successful mediation requests

**PLEASE SEEK
COUNSELING
FROM
HOUSING
SPECIALISTS
BEFORE
MEDIATION**

- ▶ Contact the Los Angeles County Department of Consumer & Business Affairs (DCBA) Dispute Resolution Program
- ▶ Phone: **(800) 593-8222**
- ▶ Email: mediation@dcba.lacounty.gov
- ▶ Website: **dcba.lacounty.gov**

Question & Answer

Use the chat box to ask questions



THANK YOU FOR JOINING US!



Online: <https://housing.ca.gov/>

Phone: 833-430-2122



Online: <https://lafla.org/covid-resources/renters-small-claims/>

Phone: 888-694-0040



Small claims

Online: <https://dcba.lacounty.gov/small-claims/>

Housing & Tenant Protections:

Online: <https://dcba.lacounty.gov/rentstabilization/>

Phone: 800-593-8222

Email: rent@dcba.gov

Stay Housed LA

Online: <https://www.stayhousedla.org/>

Phone: 1-888-694-0040

Mediation

Online: <https://dcba.lacounty.gov/mediation/>