

Legislation Text

File #: 200305, **Version:** 0

Amending various sections of The Philadelphia Code to address matters related to the landlord and tenant relationship during the novel coronavirus of 2019 pandemic and otherwise, including providing for payment agreements for tenants with a certified financial hardship related to COVID-19, and making certain technical changes, all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Title 9 of The Philadelphia Code is hereby amended to read as follows:

TITLE 9. REGULATION OF BUSINESSES, TRADES AND PROFESSIONS

* * *

CHAPTER 9-800. LANDLORD AND TENANT

§ 9-802. Definitions.

* * *

(5) Unfair Rental Practice. Any act in violation of [§ 9-804.] §§ 9-804 or 9-809.

* * *

§ 9-809. COVID-19 Emergency Housing Protections.

(1) *Definitions. The following definitions apply to this Section 9-809 only:*

(a) *Certification of Hardship.*

(a.1) *In the case of a residential tenant, a written statement submitted by an individual with personal knowledge of the facts set forth therein stating that a residential tenant has lost income due to the pandemic. This written statement does not have to be signed or notarized, and can be in electronic or hard copy form.*

(a.2) *In the case of a commercial tenant, a written statement submitted by an individual with personal knowledge of the facts set forth therein stating that a small business has suffered a small business financial hardship and setting forth facts supporting such financial hardship. This written statement does not have to be*

signed or notarized, and can be in electronic or hard copy form.

(b) COVID-19 emergency period. The period beginning on the effective date of the ordinance adding this Section 9-809 to the Code and ending sixty days after the termination of all declarations of emergency or disaster issued by the Governor of Pennsylvania, the Mayor, or Council related to the 2019 novel Coronavirus ("COVID-19") pandemic, provided that the duration of this emergency period may be further extended by subsequent Council ordinance.

(c) COVID-19 financial hardship. A tenant's or tenant's household member's loss of income due to any one or more of the following during the COVID-19 emergency period or the retroactive emergency period:

(i) A diagnosis of COVID-19.

(ii) The need to quarantine or self-quarantine due to the advice of a health care provider; due to symptoms of COVID-19, such as fever, dry cough, or shortness of breath; after the return of an individual to the United States after travel to a Tier 2 or Tier 3 country as defined by the United States Center for Disease Control ("CDC") with respect to COVID-19; or as the result of having come into contact with an individual who has been diagnosed with COVID-19.

(iii) The need to care for a family member or a member of the person's household as the result of such family or household member's diagnosis of COVID-19 or self-quarantine for purposes described in subparagraph 9-809(c)(ii).

(iv) The need to care for a family member or a member of the person's household as the result of the closure of a school, daycare, adult care facility, or other care facility where care would otherwise be provided for such family or household member.

(v) The inability to work as the result of a requirement by the Governor, the Secretary of Health of the Commonwealth of Pennsylvania, the Mayor, or the Health Commissioner that businesses, or a particular type of business, must remain closed.

(vi) The inability to work as the result of such person or such person's household member being at a greater risk of harm than the general population if such person or such person's household member contracts COVID-19, such as those with compromised immune systems, the elderly, or those who have self-quarantined as the result of the recommendation of a health care professional, the CDC, the Governor, the Secretary of Health of the Commonwealth of Pennsylvania, the Mayor, or the Health Commissioner..

(vii) The inability to work as a result of a requirement by the Governor, the Secretary of Health of the Commonwealth of Pennsylvania, the Mayor, or the Health Commissioner that residents of certain areas of the Commonwealth must not travel, and such travel would be necessary to report to work.

(viii) The loss of a job or hours, whether permanent or temporary.

(ix) The inability to commence or obtain employment.

(x) *The need to financially support a family member due to the family member or a household member of such family member's loss of income for any one or more of the reasons set forth in this subsection 9-809(1)(c).*

(d) *Landlord. An owner of a rental premises and any agent, or other person, operating or managing a rental premise on behalf of an owner.*

(e) *Retroactive emergency period. The period beginning March 1, 2020 and continuing through the effective date of the ordinance adding this Section 9-809 to the Code.*

(f) *Small business. A person that employs fewer than 100 employees.*

(g) *Small Business Financial Hardship. A small business's documented loss of income due to one or more of the following during the COVID-19 emergency period or the retroactive emergency period:*

(i) *A requirement or recommendation by the Governor, the Secretary of Health of the Commonwealth of Pennsylvania, the Mayor, or the Health Commissioner that businesses in a particular area, or a particular type of business, remain fully or partially closed.*

(ii) *The owner or operator, a key employee, or a significant number of employees of the small business being unable to work due as a result of the circumstances set forth in subparagraphs 9-809(1)(c)(i), (ii), (iii), (iv), (vi), or (vii).*

(iii) *The loss of customers as a result of the COVID-19 pandemic, or related recommendations or requirements of the Governor, the Secretary of Health of the Commonwealth of Pennsylvania, the Mayor, or the Health Commissioner.*

(2) *Purpose. This Section 9-809 shall apply in addition to any other provisions in this Chapter 9-800, or any provisions of a lease entered into between a tenant and landlord. If the provisions of this Section 9-809 conflict with any other provisions of Chapter 9-800 or the provisions of any lease that otherwise governs a landlord tenant relationship, the provisions of this Section 9-809 shall control.*

(*) *Mandatory Hardship Repayment Agreement for Residential Tenants with a Certified Financial Hardship as the Result of the COVID-19 Pandemic.*

(a) *Financial Hardship. Any residential tenant that has suffered a COVID-19 financial hardship during the retroactive emergency period or the COVID-19 emergency period, and has failed to pay rent as normally due at any point prior to the end of the COVID-19 emergency period shall have the right to enter into a hardship repayment agreement as set forth in subparagraphs (b)(i) through (iii), below, without incurring any penalty. Such tenant shall be considered in full compliance with any payment obligations under such tenant's lease, and any associated payment agreements, provided such tenant provides a certification of hardship to such tenant's landlord and thereafter enters into a hardship repayment agreement.*

(b) Hardship Repayment Agreement. Any landlord whose residential tenant has provided a certification of hardship and has failed to pay rent pursuant to paragraph (a) "Financial Hardship," above, shall enter into a repayment agreement with such tenant to pay past due rent pursuant to the following terms:

(i) The tenant shall pay the full amount of past due rent to the landlord within twelve (12) months after the last day of the COVID-19 emergency period.

(ii) Beginning the first day of the month following the COVID-19 emergency period, and every month thereafter, the tenant shall pay:

(.1) The full monthly rate of rent as normally due; plus

(.2) At a minimum, the lesser of the following: thirty percent (30%) of the full monthly rate of rent due during the COVID-19 emergency period, or the total amount of past due rent divided by twelve (12).

(iii) No late fees or other charges related to past due rent may be charged during the retroactive emergency period, the COVID-19 emergency period, and the twelve (12) months thereafter.

(c) Prohibition on Hardship Repayment Agreements Reduced to Judgment. It shall be unlawful for a landlord to require or request a residential tenant who has suffered a COVID-19 financial hardship to memorialize a hardship repayment agreement entered into pursuant to subparagraph (b), "Hardship Repayment Agreement," in a judgment by agreement, consent order, a consent judgment, or similar court order.

(d) Notice Required and Limitation on Eviction for Nonpayment of Past Due Rent. In addition to any other limitations set forth under this Section 9-809, until twelve (12) months after the last day of the COVID-19 emergency period it shall be unlawful for a landlord to file a complaint for eviction, take any further action on a complaint for eviction that was previously filed, or take any other steps in furtherance of recovering possession of a residential premises based in whole, or in part, due to the nonpayment of rent, unless both of the following conditions are met:

(i) The landlord has provided the tenant written notice regarding the tenant's rights under this subsection, "Mandatory Hardship Repayment Agreement for Tenants with a Certified Financial Hardship as the Result of the COVID-19 Pandemic," at least 60 days prior to the date a landlord takes any such action. The landlord shall provide such notice, in writing, by hand delivery or by certified United States mail with proof of mailing. Any such notice must contain the following text, and such other language as may be required under subsection (e), "Forms," below: IF YOU HAVE EXPERIENCED A FINANCIAL HARDSHIP DUE TO COVID-19 YOU MAY BE ELIGIBLE FOR A TWELVE (12) MONTH REPAYMENT PLAN TO PAY PAST DUE RENT.

(ii) The eviction action is based on a failure to pay the ongoing monthly rate of rent as it is normally due after the end of the COVID-19 emergency period and the eviction action is not otherwise prohibited by this Section 9-809.

(e) Forms. The Commission, or such other City department or office as the Mayor may designate, is authorized to create a form to be used by landlords and tenants entering into a hardship repayment agreement as provided for under paragraph (a) of this subsection and a form for notice under paragraph (c) of this subsection.

() Defenses. The failure of the landlord to comply with any obligation under this Section 9-809 may be asserted as a defense by a tenant in an action before any adjudicatory body and may not be waived.*

() Severability. If any provision of this Section 9-809 or application thereof to any persons or circumstances is judged invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions or applications of the Ordinance that can be given effect without the invalidated provision or application and to this end the provisions of the ordinance are declared severable.*

* * *

SECTION 2. This ordinance shall be effective immediately, with the exception of any provisions applicable during the retroactive emergency period, as defined in Section 1, which shall be effective as of March 1, 2020.

Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.