Ordinance No. 484-2022 AS AMENDED

By Council Members Hairston, Maurer, McCormack, Mooney, Spencer, Howse, and Mayor Bibb

AN EMERGENCY ORDINANCE

To supplement the Codified Ordinances of Cleveland, Ohio, 1976, by enacting new Section 375.13 related to Tenant's Right to Assert Tender of Rent as an Affirmative Defense to Eviction.

WHEREAS, the City's ongoing housing crisis has been exacerbated by the COVID-19 pandemic; and

WHEREAS, further adverse economic impacts are anticipated, leaving residential tenants vulnerable to eviction; and

WHEREAS, according to the Cleveland Eviction Study, around 9,000 evictions are filed each year in Cleveland, and of those, about 80% are for non-payment of rent; and

WHEREAS, 60 percent of eviction cases filed in Cleveland include households with children; of tenants evicted in Cleveland, 76 percent are women heads of households, and 77 percent of those women are African-American; and

WHEREAS, notwithstanding COVID-19 and its deleterious effects, it is essential at all times to avoid unnecessary housing displacement from evictions to protect the City's housing stock and to prevent housed individuals from falling into homelessness; and

WHEREAS, although unemployment compensation, rental assistance, and other programs have been made available to Ohioans so they can meet their basic needs, the City wishes to affirm tenants' rights to tender late rent to avoid eviction and stay in rental properties in the City; and

WHEREAS, this ordinance constitutes an emergency measure providing for the immediate preservation of the public peace, property, health or safety; now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CLEVELAND:

<u>Section 1.</u> That the Codified Ordinances of Cleveland, Ohio 1976, are supplemented by enacting new Section 375.13 as follows:

Section 375.13 Tenant's Right to Assert Tender of Rent as an Affirmative Defense to Eviction

(a) Definition

"Tender" means an offer of payment.

(a) Definitions

- (1) Reasonable late fees means, as provided in Section 375.02(c) of this Chapter, if a rental agreement includes a provision that authorizes the landlord to assess the tenant a fee for late payment of the monthly rent, the total amount of that late payment fee from any month may not exceed the larger of: (A) twenty-five dollars (\$25.00); or (B) five percent (5%) of the monthly contract rent. In addition, the total amount of that late payment fee for any amount may not exceed twenty-five percent (25%) of the portion of the monthly contract rent that the tenant is obligated to pay under the rental agreement.
- (2) Tender means an offer of payment and includes any emergency rental assistance vouchers from an accredited social service, nonprofit, governmental, or quasi-

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governmental agency that guarantees the payment of past due rent, reasonable late fees, and court costs.

(b) <u>Tenant's Affirmative Defense after Tendering Rent Prior to the Filing of an Eviction</u> <u>Action</u>

(1) If a tenant, or an agency or individual on the tenant's behalf, tenders all past due rent with reasonable late fees to the landlord prior to the filing of an action under Ohio Revised Code Section 1923 and the landlord refuses the tender, the tenant's tender of all past due rent with reasonable late fees shall be an affirmative defense to any action filed by the landlord against the tenant for nonpayment of rent.

(c) Tenant's Affirmative Defense after Tendering Rent Prior to an Eviction Judgment

- (1) If a tenant, or an agency or individual on the tenant's behalf, tenders all past due rent with reasonable late fees and court costs to the landlord prior to a judgment and the landlord refuses to accept the tender, the tenant's tender of all past due rent, reasonable late fees, and court costs shall be an affirmative defense to the eviction action filed by the landlord against the tenant for nonpayment of rent.
- (2) A tenant's tender after an action under Ohio Revised Code Chapter 1923 is filed may be satisfied if the tenant places a payment in full, including all past due rent with reasonable late fees, court costs, and applicable escrow fees, in escrow with the Cleveland Municipal Housing Court prior to the date of trial.

(d) Other Causes for Eviction

This Section in no way limits the ability of a landlord to initiate an eviction action for reasons other than solely for non-payment of rent.

<u>Section 2.</u> That this ordinance is declared to be an emergency measure and, provided it receives the affirmative vote of two-thirds of all the members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

/jho 5-9-2022

FOR: Council Members Hairston, Maurer, McCormack, Spencer

Ord. No. 484-2022 AS AMENDED

READ FIRST TIME on MAY 9, 2022

By Council Members Hairston, Maurer, McCormack, Mooney, Spencer, Howse, and Mayor Bibb

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REPORTS

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Recorded Vol. 109 Page_		_
Published in the City Record		

REPORT after second Reading

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