JULY 21, 2020

<u>AMENDMENT TO ITEM 8 – DEFER ESTABLISHMENT OF COUNTY'S EVICTION</u> PROTECTIONS AS BASELINE AND REQUEST REPORT BACK ON IMPACTS

It is imperative for the success of the Safer at Home Order for those constituents of Los Angeles County impacted by COVID-19 to be able to continue to remain in their homes during this current emergency, and therefore, an extension of the Eviction Moratorium is appropriate.

However, before extending the County's tenant protections countywide, as a baseline for cities that have local moratoria, it would be beneficial to better understand the impacts of doing so.

I, THEREFORE MOVE, that the Board of Supervisors:

- Adopt the attached revised Resolution further amending and restating the Executive Order to extend the County's Eviction Moratorium through September 30, 2020, unless further extended or repealed by the Board, but defer establishing the County's eviction protections as the baseline for all incorporated cities within Los Angeles County.
- 2. Direct the Director of Department of Consumer and Business Affairs, in consultation with County Counsel, to report back within 14 days, with a comparison of the tenant protections contained in each local moratorium within the County to the County's Moratorium to determine which of the County's tenant protections would apply to those cities if the County's tenant protections were extended as proposed, including the resources required to successfully create a communications and education campaign for the new provisions, for tenants and landlords across 88 cities Countywide.

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			<u>MOTION</u>
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RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES FURTHER AMENDING AND RESTATING THE EXECUTIVE ORDER FOR AN EVICTION MORATORIUM DURING EXISTENCE OF A LOCAL HEALTH EMERGENCY REGARDING NOVEL CORONAVIRUS (COVID-19)

WHEREAS, on March 4, 2020, the Chair of the Los Angeles County Board of Supervisors ("Board") proclaimed, pursuant to Chapter 2.68 of the Los Angeles County Code, and the Board ratified that same day, the existence of a local emergency because the County of Los Angeles ("County") is affected by a public calamity due to conditions of disaster or extreme peril to the safety of persons and property arising as a result of the introduction of the novel coronavirus ("COVID-19") in Los Angeles County;

WHEREAS, also on March 4, 2020, the County Health Officer determined that there is an imminent and proximate threat to the public health from the introduction of COVID-19 in Los Angeles County, and concurrently declared a Local Health Emergency;

WHEREAS, ensuring that all people in the County continue to have access to running water during this public health crisis will enable compliance with public health guidelines advising people to regularly wash their hands, maintain access to clean drinking water, help prevent the spread of COVID-19, and prevent or alleviate illness or death due to the virus;

WHEREAS, ensuring that all customers in the County that receive power services from Southern California Edison and Southern California Gas Company (collectively, "Public Utilities") continue to have access to electricity so they are able to receive important COVID-19 information, keep critical medical equipment functioning, and utilize power, as needed, will help to prevent the spread of COVID-19 and prevent or alleviate illness or death due to the virus;

WHEREAS, on March 13, 2020, the Public Utilities announced that they will be suspending service disconnections for nonpayment and waiving late fees, effective immediately, for residential and business customers impacted by the COVID-19 emergency;

WHEREAS, on March 16, 2020, Governor Newsom issued Executive Order N-28-20 that authorizes local governments to halt evictions of renters, encourages financial institutions to slow foreclosures, and protects renters and homeowners against utility shutoffs for Californians affected by COVID-19;

WHEREAS, on March 19, 2020, the Chair of the Board issued an Executive Order ("Executive Order") that imposed a temporary moratorium on evictions for non-payment of rent by residential or commercial tenants impacted by COVID-19 ("Moratorium"), commencing March 4, 2020 through May 31, 2020 ("Moratorium Period");

WHEREAS, on March 21, 2020, due to the continued rapid spread of COVID-19 and the need to protect the community, the County Health Officer issued a revised Safer

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at Home Order for Control of COVID-19 ("Safer at Home Order") prohibiting all events and gatherings and closing non-essential businesses and areas until April 19, 2020;

WHEREAS, on March 27, 2020, Governor Newsom issued Executive Order N-37-20 extending the period for response by tenants to unlawful detainer actions and prohibiting evictions of tenants who satisfy the requirements of Executive Order N-37-20;

WHEREAS, on March 31, 2020, the Board ratified the Chair's Executive Order and amended the ratified Executive Order to include a ban on rent increases in the unincorporated County to the extent permitted by State law and consistent with Chapter 8.52 of the County Code;

WHEREAS, on April 6, 2020, the California Judicial Council, the policymaking body of the California courts, issued eleven temporary emergency measures, of which Rules 1 and 2 effectively provide for a moratorium on all evictions and judicial foreclosures;

WHEREAS, on April 14, 2020, the Board further amended the Executive Order to: expand the County's Executive Order to include all incorporated cities with the County; include a temporary moratorium on eviction for non-payment of space rent on mobilehome owners who rent space in mobilehome parks; include a ban on rent increases in the unincorporated County to the extent permitted by State law and consistent with Chapters 8.52 and 8.57 of the County Code; and enact additional policies and make additional modifications to the Executive Order:

WHEREAS, COVID-19 is causing, and is expected to continue to cause, serious financial impacts to Los Angeles County residents and businesses, including the substantial loss of income due to illness, business closures, loss of employment, or reduced hours, impeding their ability to pay rent;

WHEREAS, displacing residential and commercial tenants who are unable to pay rent due to such financial impacts will worsen the present crisis by making it difficult for them to comply with the Safer at Home Order, thereby placing tenants and many others at great risk;

WHEREAS, while it is the County's public policy and intent to close certain businesses to protect public health, safety and welfare, the County recognizes that the interruption of any business will cause loss of, and damage to, the business. Therefore, the County finds and declares that the closure of these businesses is mandated for the public health, safety and welfare; the physical loss of, and damage to, businesses is resulting from the shutdown; and these businesses have lost the use of their property and are not functioning as intended;

WHEREAS, because homelessness and instability can exacerbate vulnerability to, and the spread of, COVID-19, the County must take measures to preserve and

increase housing security and stability for Los Angeles County residents to protect public health;

- WHEREAS, a County-wide approach to restricting displacement is necessary to accomplish the public health goals of limiting the spread of the COVID-19 virus as set forth in the Safer at Home Order;
- WHEREAS, based on the County's authority during a state of emergency pursuant to Government Code section 8630 et seq. and Chapter 2.68 of the County Code, the County may issue orders to all incorporated cities within the County to provide for the protection of life and property, where necessary to preserve the public order and safety;
- WHEREAS, due to the continued, rapid spread of COVID-19 and the need to preserve life and property, the County has determined that continued evictions in the County and all of its incorporated cities during this COVID-19 crisis would severely impact the health, safety and welfare of County residents;
- **WHEREAS**, loss of income as a result of COVID-19 may hinder County residents and businesses from fulfilling their financial obligations, including paying rent and making public utility payments, such as water and sewer charges;
- WHEREAS, on May 12, 2020, the Board approved, and delegated authority to the Chair to execute, an Amended and Restated Executive Order that extends the Moratorium Period through June 30, 2020, unless further extended or repealed by the Board, and incorporates additional provisions, subject to approval as to form by County Counsel;
- **WHEREAS**, on May 12, 2020, the Board determined to reevaluate the Executive Order every thirty (30) days to consider further extensions;
- **WHEREAS**, on June 23, 2020, the Board extended the Moratorium Period through July 31, 2020;
- WHEREAS, on June 30, 2020, Governor Newsom issued Executive Order N-71-20, extending the timeframe for the protections set forth in Executive Order N-28-20, that authorized local governments to halt evictions for renters impacted by the COVID-19 pandemic, through September 30, 2020;
- WHEREAS, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, it is necessary for the Board to adopt this Resolution Further Amending and Restating the Executive Order for an Eviction Moratorium ("Resolution") related to the protection of life and property; and
- **WHEREAS,** the Board determined that an emergency continues to exist within the County threatening the lives, property and welfare of the County and its constituents.

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NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES DOES HEREBY PROCLAIM, RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

- I. This Amended and Restated Executive Order incorporates all aspects, restrictions, and requirements of the Moratorium adopted by the Board, as ratified and amended on March 31, 2020, April 14, 2020, May 12, 2020, June 23, 2020, and July 21, 2020.
- II. The Moratorium Period is extended until September 30, 2020, unless further extended or repealed by the Board. The Board will reevaluate the need for further extensions every thirty (30) days.
- III. A temporary moratorium on evictions for non-payment of rent by residential or commercial tenants, or space rent by mobilehome owners, impacted by the COVID-19 crisis is imposed as follows:
 - a. Commencing March 4, 2020 through September 30, 2020, unless further extended or repealed by the Board, no residential or commercial property owner or mobilehome park owner (individually as "Landlord" and collectively as "Landlords") shall evict a residential or commercial tenant or mobilehome space renter (individually as "Tenant" and collectively as "Tenants") in the unincorporated County, and all incorporated cities within the County, for: (1) nonpayment of rent, late charges, interest, or any other fees accrued if the Tenant demonstrates an inability to pay rent and/or such related charges due to financial impacts related to COVID-19, the state of emergency regarding COVID-19, or following government-recommended COVID-19 precautions, and the Tenant has provided notice to the Landlord within seven (7) days after the date that rent and/or such related charges were due, unless extenuating circumstances exist, that the Tenant is unable to pay; or (2) reasons amounting to a no-fault eviction under the County Code. unless necessary for health and safety reasons. Cities that have local eviction moratoria in place are exempt from this Moratorium, except that this Moratorium shall apply to residential tenants, mobilehome space renters, and commercial tenants, respectively, in incorporated cities within the County whose local eviction moratoria does not address residential tenants, mobilehome space renters, or commercial evictions.
 - "Financial impacts" means substantial loss of household income or loss of revenue or business for Tenants due to business closure, increased costs, reduced revenues, or other similar reasons impacting a business's ability to pay rent due, loss of compensable hours of work or wages, layoffs, or extraordinary out-of-pocket medical expenses.

- 2. A financial impact is "related to COVID-19" if it was a result of any of the following: (a) a suspected or confirmed case of COVID-19, or caring for a household or family member who has a suspected or confirmed case of COVID-19; (b) lay-off, loss of compensable work hours, or other reduction or loss of income or revenue resulting from business closure or other economic or employer impacts of COVID-19; (c) compliance with a recommendation from the County's Health Officer to stay at home, self-quarantine, or avoid congregating with others during the state of emergency; (d) extraordinary out-of-pocket medical expenses related to diagnosis and testing for and/or treatment of COVID-19; or (e) child care needs arising from school closures related to COVID-19.
- b. No Landlord shall initiate an eviction proceeding during the Moratorium Period for nuisance or for unauthorized occupants or pets whose presence is necessitated by or related to the COVID-19 emergency. A commercial tenant includes, but is not limited to, a Tenant using a property as a storage facility for commercial purposes.
- c. "No-fault eviction" refers to any eviction for which the grounds for terminating tenancy is not based on any alleged fault by the Tenant, including, but not limited to, those stated in Code of Civil Procedure section 1161 et seq., and Chapters 8.52 and 8.57 of the County Code.
- d. Consistent with the provisions of this Paragraph III, this Moratorium applies to nonpayment eviction notices, no-fault eviction notices, rent increase notices, and unlawful detainer actions, served and/or filed, on or after March 4, 2020.
- e. Commercial tenants with nine (9) employees or fewer, residential tenants, and mobilehome space renters shall have twelve (12) months to repay their Landlords for any amounts due and owing. Commercial tenants with ten (10) or more, but fewer than 100, employees shall have six (6) months to repay their Landlords for any amounts due and owing, in equal installments, unless the commercial tenant and Landlord agree to an alternate payment arrangement. This repayment shall begin at the conclusion of the Moratorium Period, as it may be further extended or repealed by the Board. Tenants and Landlords are encouraged to agree on a payment plan during this Moratorium Period, and nothing herein shall be construed to prevent a Landlord from requesting and accepting partial rent payments, or a Tenant from making such payments, if the Tenant is financially able to do so.
- f. Commercial tenants with nine (9) employees or fewer, residential tenants, and mobilehome space renters may provide, and Landlords must accept, a self-certification of inability to pay rent, and are required to provide notice to

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the Landlord to this effect within the time-frame specified in this Paragraph III.

- g. Landlords, and those acting on their behalf, are prohibited from harassing or intimidating Tenants for acts or omissions by Tenants permitted under this Moratorium.
- h. This Moratorium addresses the County's public policy and intent to close certain businesses to protect public health, safety and welfare, and the County recognizes that the interruption of any business will cause loss of, and damage to, the business. Therefore, the County finds and declares that the closure of these businesses is mandated for the public health, safety and welfare, the physical loss of, and damage to, businesses is resulting from the shutdown, and these businesses have lost the use of their property and are not functioning as intended.
- i. Commencing June 1, 2020, commercial tenants that are multi-national, publicly-traded, or have more than 100 employees, are excluded from the protections of this Moratorium.
- j. The Director of the Department of Consumer and Business Affairs ("DCBA"), or his designee, shall issue guidelines to aid in the implementation of the Moratorium, including but not limited to guidance regarding the ways in which Tenants can certify they are entitled to protection under the Moratorium, appropriate supporting documentation for Tenants not entitled to self-certify under the Moratorium, notice requirements, and procedures for utilizing dispute resolution services offered by DCBA, among other clarifications.
- IV. Landlords shall not increase rents for residential units and mobilehome spaces in the unincorporated County during the Moratorium Period, to the extent otherwise permitted under State law and consistent with Chapters 8.52 and 8.57 of the County Code.
- V. Landlords shall not impose any new pass-throughs otherwise permitted under Chapters 8.52 and 8.57 of the County Code, or charge interest or late fees on unpaid rent or other amounts otherwise owed, during the Moratorium Period. Landlords are prohibited from retroactively imposing or collecting any such amounts following the termination of the Moratorium.
- VI. The Los Angeles County Development Authority ("LACDA"), acting in its capacity as a local housing authority for the County, shall extend deadlines for housing assistance recipients and applicants to deliver records or documents related to their eligibility for programs, to the extent those deadlines are within the discretion of the LACDA.

- VII. The Director of DCBA, in collaboration with the Chief Executive Office ("CEO"), shall offer assistance to the State Department of Business Oversight to engage financial institutions to identify tools to be used to afford County residents relief from the threat of residential foreclosure and displacement, and to promote housing security and stability during this state of emergency.
- VIII. Grocery stores, gas stations, pharmacies and other retailers are requested to institute measures to prevent panic buying and hoarding essential goods, including, but not limited to, placing limits on the number of essential items a person can buy at one time, controlling entry to stores, and ensuring those at heightened risk of serious complications from COVID-19 are able to purchase necessities.
- IX. The Director of DCBA, in collaboration with the CEO and the Acting Director of Workforce Development, Aging, and Community Services ("WDACS"), shall convene representatives of utility and other service providers to seek a commitment from the providers to waive any late fees and forgo service disconnections for Tenants and small businesses who are suffering economic loss and hardship as a result of the COVID-19 pandemic.
- X. The Director of DCBA, the Acting Director of WDACS, and the Acting Executive Director of LACDA shall jointly establish an emergency office dedicated to assisting businesses and employees facing economic instability as a result of the COVID-19 pandemic. The joint emergency office shall be provided all of the necessary resources by DCBA and WDACS, and should include opening a dedicated hotline to assist businesses and employees, web-based and text-based consultations, and multilingual services. The County shall provide technical assistance to businesses and employees seeking to access available programs and insurance, and shall work directly with representatives from the State and federal governments to expedite, to the extent possible, applications and claims filed by County residents.
- XI. The Director of DCBA and the Acting Executive Director of LACDA shall assist small businesses in the unincorporated areas in applying for U.S. Small Business Administration ("SBA") loans that the President announced on March 12, 2020. SBA's Economic Injury Disaster Loans offer up to \$2 million in assistance for a small business. These SBA loans can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing.
- XII. The Acting Executive Director of LACDA, or his designee, are hereby delegated authority to amend existing guidelines for any of its existing federal, State or County funded small business loan programs, including the Community Development Block Grant ("CDBG") matching funds, and to execute all related documents to best meet the needs of small businesses being impacted by COVID-19, consistent with guidance provided by the U.S. Economic Development Administration in a memo dated March 16, 2020 to Revolving Loan Fund ("RLF")

- Grantees for the purpose of COVID-19 and temporary deviations to RLF Administrative Plans, following approvals as to form by County Counsel.
- XIII. The Acting Director of WDACS shall work with the State of California, Employment Development Department, to identify additional funding and technical assistance for dislocated workers and at-risk businesses suffering economic hardship as a result of the COVID-19 pandemic. Technical assistance shall include, but not necessarily be limited to: assistance for affected workers in applying for unemployment insurance, disability insurance and paid family leave; additional business assistance for lay-off aversion and rapid response; and additional assistance to mitigate worker hardship as a result of reduced work hours or job loss due to the COVID-19 pandemic.
- XIV. The Director of DCBA and the Acting Director of WDACS, in collaboration with the CEO and the Acting Executive Director of LACDA, shall create a digital toolkit for small businesses and employees to assist them in accessing available resources, including, but not limited to, disaster loans, unemployment insurance, paid family leave, disability insurance, and layoff aversion programs.
- XV. The CEO's Center for Strategic Partnerships, in collaboration with the DCBA and its Office of Immigrant Affairs, and the Acting Director of WDACS, shall convene philanthropic partners to identify opportunities to enhance resources available to all small business owners and employees who may be unable or fearful to access federal and State disaster resources, including immigrants.
- XVI. The Executive Director of the Office of Immigrant Affairs, the CEO's Women + Girls Initiative, and the Department of Public Health's Center for Health Equity shall consult on the above directives to provide an immigration, gender, and health equity lens to inform the delivery of services and outreach.
- XVII. The Director of DCBA, the Acting Director of WDACS, and the Acting Executive Director of LACDA, or their respective designees, shall have the authority to hire and execute contracts for consultants, contractors, and other services, as needed, to provide consumer protection and support small businesses during the stated emergency to accomplish the above directives.
- XVIII. Violation of Paragraphs III, IV, or V of this Amended and Restated Executive Order shall be punishable as set forth in Chapter 2.68 of the County Code. In addition, this Amended and Restated Executive Order grants an affirmative defense in the event that an unlawful detainer action is commenced in violation of said Paragraphs.
 - XIX. That this Resolution shall take effect immediately upon its passage. Except as otherwise indicated, all provisions stated herein shall apply commencing March 4, 2020, and shall remain in effect until September 30, 2020, unless extended or repealed by the Board of Supervisors, or its designee.

XX. This Resolution Further Amending and Restating the Executive Order supersedes all previously issued resolutions and executive orders concerning an eviction moratorium or rent freeze within the County. It shall be superseded only by a duly enacted ordinance or resolution of the Board or a further executive order issued pursuant to Section 2.68.150 of the County Code.

The foregoing Resolution Further Amending and Restating the Executive Order for an Eviction Moratorium was adopted on the 21st day of July 2020, by the Board of Supervisors of the County of Los Angeles.



Board of Supervisors of the County of Los Angeles

Chair

APPROVED AS TO FORM:

MARY C. WICKHAM County Counsel

Deputy

ATTEST: CELIA ZAVALA EXECUTIVE OFFICER