

MOTION BY SUPERVISOR JANICE HAHN

February 23, 2021

**Economic Relief for Marina del Rey Hotel and Restaurant Lessees and Beach Contractors**

Following the declaration of a federal, state, and local emergency, on March 19, 2020, pursuant to California Government Code section 8550 et. seq., and Los Angeles County Code Section 2.68.150, the Chair of the Board of Supervisors (Board) issued a “Safer at Home” Executive Order temporarily closing non-essential businesses and prohibiting gatherings of 10 or more people. In addition, on March 19, the Chair ordered a temporary moratorium on evictions for nonpayment of rent by residential or commercial tenants impacted by COVID-19, which moratorium was ratified by the Board on March 31, 2020 and has recently been extended through February 28, 2021. In addition, the Governor has extended the State's moratorium on eviction through June 30, 2021.

Due to the ongoing public health emergency, recent surge in infections, and closure of non-essential businesses, many individuals and businesses in the County and elsewhere continue to suffer unexpected income loss, resulting in an inability to fulfill their financial obligations, including those set forth in various ground leases and beach

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concession agreements with the County and administered by the Department of Beaches and Harbors (DBH). In response to such impacts, on April 14, 2020 and again on September 29, 2020, the Board delegated authority to the Director of DBH to implement certain economic relief measures to assist the County's lessees in Marina del Rey (Marina Lessees) who are struggling economically during the pandemic. The Board also directed DBH to return to the Board with recommendations for further economic relief measures, if appropriate.

Based upon a review of the gross receipts revenues generated during the pandemic following the business closures, DBH staff concluded that the Marina Lessees have experienced economic hardship due to business closures in the spring and again in late fall, social distancing requirements, reduced consumer demand, and deferred rent payments from their residential and commercial tenants, resulting in an inability of many Marina Lessees to make required payments of County rent, mortgages, and other loans. In addition to the protections afforded by the Countywide eviction moratorium, short-term economic relief is needed by some of the most severely impacted businesses in Marina del Rey and on the beaches, which include restaurants, hotels, and beach concessions, which have been mostly closed down again since around Thanksgiving. Because the County operates most of the beaches within the County and is the underlying fee owner of land in unincorporated Marina del Rey, unique opportunities are present to implement economic relief measures for Marina Lessees and others impacted by COVID-19. This will help ensure that our lessees and contractors in Marina del Rey and on the beaches are able to financially survive the pandemic and continue to generate revenue for the County and provide services to the public.

**I, THEREFORE MOVE** that the Board of Supervisors:

1. Find that approval of the proposed actions is not a project under the California Environmental Quality Act pursuant (CEQA), because the proposed actions are activities that are excluded from the definition of a project by Section 21065 of the Public Resources Code and Section 15378(b)(5) of the CEQA Guidelines, as the proposed actions to provide short-term economic relief are administrative activities of government that will not result in direct or indirect physical changes in the environment.
2. Authorize the Director of DBH to continue the current economic protections in effect for the Marina Lessees, including without limitation, the ability to continue to defer rent pursuant to the Countywide eviction moratorium as it may be extended by your Board.
3. Authorize the Director of DBH to implement additional economic relief through May 31, 2021, to assist the Marina Lessees who operate hotels or restaurants pursuant to direct ground leases with the County (Hospitality Lessees) in mitigating the impacts of the COVID-19 pandemic and the related business shutdowns. Such measures may include without limitation, waivers of minimum rent (and payment of percentage rent only) for the period beginning April 1, 2020 and ending, at latest, May 31, 2021, on such terms and conditions as Director in his discretion may impose.
4. Authorize the Director of DBH to waive all payments of County rent owed by operators of County beach concessions for the period from April 1, 2020 through June 30, 2020 and thereafter (but no later than May 31, 2021) upon submission of

documentation satisfactory to DBH of COVID-related economic impacts; and

5. Direct DBH to continue to monitor the economic situations of its lessees and concessionaires and return to the Board with a report back and recommendations for additional economic relief measures, if appropriate, no later than May 31, 2021.

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