

RESOLUTION NO. 2021-R____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CULVER CITY, CALIFORNIA, CONFIRMING THE FEBRUARY 25, 2021 THIRTY-FOURTH SUPPLEMENT TO PUBLIC ORDER (EXTENSION OF AND MODIFICATIONS TO COMMERCIAL TENANT EVICTION MORATORIUM) ISSUED BY THE CITY MANAGER, AS DIRECTOR OF EMERGENCY SERVICES, UNDER CITY OF CULVER CITY EMERGENCY AUTHORITY, DUE TO THE CORONAVIRUS RESPIRATORY DISEASE (COVID-19) PANDEMIC.

WHEREAS, pursuant to the authority granted by Culver City Municipal Code (CCMC) Section 3.09.020, on March 14, 2020, the City Manager, as the Director of Emergency Services, issued a Proclamation of Local Emergency due to the outbreak and spread of the Coronavirus respiratory disease (COVID-19), which was ratified by the City Council on March 18, 2020 by Resolution No. 2020-R015. Such action followed the Los Angeles County Department of Public Health's and the Chair of the Board of Supervisor's declarations of a local health emergency and the State of California's declaration of a State of Emergency on March 4, 2020, and the President's declaration of a National Emergency on March 13, 2020; and

WHEREAS, as of March 2, 2021 (9:23 a.m.), Johns Hopkins University reported 114,618,923 confirmed COVID-19 cases globally and 2,542,969 deaths; 28,675,156 cases nationally, with 515,195 deaths; and 3,573,549 cases in California, with 52,497 deaths. Further, as of March 2, 2021, the Los Angeles County Department of Public Health (LACDPH) reported 1,192,895 cases in Los Angeles County with 21,467 deaths, which includes 2085 cases and 89 deaths in Culver City (LACDPH information includes data through 6 p.m. on 02/28/2021). As there is an ongoing significant risk of infection throughout the United States

and the State of California, the federal Centers for Disease Control and Prevention and the California Department of Public Health are recommending that counties and cities throughout the U.S. continue to actively address the COVID-19 pandemic and implement aggressive measures to prevent the spread of COVID-19; and

WHEREAS, during this unprecedented time, various orders have been issued by the State of California and the Los Angeles County Department of Public Health, as well as a number of our neighboring communities, designed to protect both residential and commercial tenants from eviction during the COVID-19 pandemic; and

WHEREAS, on March 16, 2020, under the authority of CCMC Section 3.09.020, the City Manager issued a Public Order enacting City measures to protect members of the public and City workers from undue risk of COVID-19, which included, among other things, the imposition of a moratorium on residential tenant evictions ("Residential Tenant Eviction Moratorium" or "RTEM"), prohibiting a landlord from evicting a residential tenant in the City of Culver City during this local emergency period if the tenant documents an inability to pay rent due to circumstances related to the COVID-19 pandemic; and

WHEREAS, on March 20, 2020, the City Manager issued a First Supplement to Public Order ("March 20 Order"), which included, among other things, protections for commercial tenants against evictions based on an inability to pay rent due to COVID-19 related circumstances ("Commercial Tenant Eviction Moratorium" or "CTEM"); and

WHEREAS, since the initial orders establishing the Residential Tenant Eviction Moratorium and the Commercial Tenant Eviction Moratorium (collectively, "Eviction Moratoria"), the following additional public orders and implementation measures have been issued with respect to the Eviction Moratoria:

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- March 20, 2020 RTEM Implementation Measures implementing the March 16 Order:
- March 27, 2020 Second Supplement to Public Order extending the RTEM through May 31, 2020 and expanding its scope ("March 27 Order");
- March 27, 2020 CTEM Implementation Measures implementing the March 20 Order:
- April 3, 2020 RTEM Amended Implementation Measures implementing the March 27 Order (April 3 Order);
- April 7, 2020 Fifth Supplement to Public Order extending the CTEM through May 31, 2020 ("April 7 Order");
- April 28, 2020 Eighth Supplement to Public Order extending the period for the payment of back rent to 12 months after the expiration of the Eviction Moratoria ("April 28 Order");
- April 29, 2020 RTEM Second Amended Implementation Measure implementing the April 28 Order;
- April 29, 2020 CTEM Amended Implementation Measures implementing the April 7 and April 28 Orders;
- May 12, 2020 RTEM Third Amended Implementation Measures adding provisions to encourage and incentivize a landlord and tenant to negotiate a repayment plan over the 12-month grace period;
- May 19, 2020 Twelfth Supplement to Public Order (Revised May 26, 2020) extending the Eviction Moratoria to August 31, 2020 or the end of the Local Emergency, whichever occurs earlier; and excluding from the CTEM multi-national companies, publicly traded companies, or companies that employ 200 or more employees ("May 19 Order");
- May 20, 2020 RTEM Fourth Amended Implementation Measures implementing the May 19 Order;
- May 20, 2020 CTEM Second Amended Implementation Measures implementing the May 19 Order and adding provisions to encourage and incentivize a landlord and tenant to negotiate a repayment plan over the 12-month applicable grace periods;
- May 26, 2020 CTEM Third Amended Implementation Measures clarifying exception for commercial tenants employing 200 or more employees; and
- May 27, 2020 CTEM Fourth Amended Implementation Measures implementing May 19 Order.
- August 4, 2020 Twenty-Second Supplement to Public Order extending the Eviction Moratoria through September 30, 2020 ("August 4 Order"); and
- August 4, 2020 RTEM and CTEM Fifth Amended Implementation Measures implementing the August 4 Order; and

WHEREAS, on September 14, 2020, the City Council discussed the status of the Eviction Moratoria and the current financial climate for Culver City's residential and commercial tenants. Due to the preemption by AB 3088, the City Council did not direct any extension of

the Residential Tenant Eviction Moratorium at this time. However, the City Council directed extension of the Commercial Tenant Eviction Moratorium through January 31, 2021. In addition, City Council directed staff to work with the Economic Recovery Task Force (ERTF) to explore potential classifications or modifications to the current moratorium relative to reopening parameters outlined by the State and County; and

WHEREAS, on September 17, 2020, the City Manager issued a Twenty-Sixth Supplement to Public Order ("September 17 Order") consistent with the with the City Council's direction. The CTEM Implementation Measures were also amended consistent with the September 17 Order; and

WHEREAS, on November 9, 2020, the City Council discussed the ERTF's comments and recommendations regarding the Commercial Tenant Eviction Moratorium with the goal of determining if modifications to the CTEM could facilitate current rent payment and reduce large and likely untenable payments triggered at the termination of the Moratorium and expiration of the 12-month grace period for the repayment of back rent. After thorough deliberation of the matter, the City Council (1) determined that further discussion and analysis is needed and directed staff to work with the City Council Economic Development Subcommittee on the issues of (a) potential mediation program, (b) redefining rent to exclude common area maintenance (CAM) fees, (c) tiered payment structure, and (d) increased advocacy for federal and state forbearance intervention; (2) directed staff to return to City Council in January 2021 for further discussion of the CTEM; and (3) directed the City Manager to extend the CTEM through March 31, 2021.; and

WHEREAS, on November 12, 2020, the City Manager issued the Thirtieth Supplement to Public Order consistent with the City Council's November 9th direction

("November 12 Order"). The CTEM implementation measures were also amended consistent with the November 12 Order; and

WHEREAS, on February 9, 2021 the Subcommittee discussed the issues directed by the City Council and other issues, and made the following recommendations to the City Council: (1) modify the definition of Commercial Tenant to exclude, effective March 1, 2021, companies that, together with that company's parent, subsidiary, affiliated, and related companies, employed 200 or more employees on March 20, 2020; (2) effective April 1, 20201 (if the CTEM is further extended), require a Commercial Tenant to pay 25% of their current rent, in addition to providing notice and documentation of their inability to pay full rent, in order to receive the protections of the CTEM; (3) update documentation requirements for a tenant to demonstrate an inability to pay rent due to COVID-19 related circumstances; and refer of landlords and tenants to pro bono mediation services; and (4) require a minimum monthly payment of back rent during the 12-month grace period. The Subcommittee also recommended the City Council consider a further extension of the CTEM beyond the March 31, 2021 expiration date; and

WHEREAS, at its meeting of February 22, 2021, the City Council considered the Subcommittee's recommendations, as well as additional information from staff, and directed the City Manager to (1) extend the CTEM until the termination of the local emergency; (2) effective April 1, 2021, require tenants to pay 25% of current rent due in order to receive the protection of the CTEM. If the landlord and tenant already have another payment arrangement in place for current rent, that agreement will supersede this condition; (3) effective March 1, 2021, modify the definition of Commercial Tenant to exclude a multi-national company, publicly traded company, or a company that, together with that company's parent, subsidiary,

affiliated, and related companies, employed 200 or more employees on March 20, 2020; and (4) refer parties to no-cost mediation services. The City Council also gave staff the discretion to further enhance and clarify documentation requirements; and

WHEREAS, on February 25, 2021, the City Manager issued the Thirty-Fourth Supplement to Public Order, extending the CTEM through the termination of the Local Emergency, and making other modifications to the CTEM, consistent with the City Council's February 22nd direction ("February 25 Order"). The CTEM Implementation Measures were also amended consistent with the City Council's direction and the City Manager's February 25 Order.

NOW, THEREFORE, the City Council of the City of Culver City, California, DOES HEREBY RESOLVE as follows:

- 1. Pursuant to CCMC Section 3.09.020.B.1.h(2), the City Council hereby confirms the Thirty-Fourth Supplement to Public Order issued by the Director of Emergency Services on February 25, 2021, attached hereto as Exhibit A and incorporated herein as though fully set forth.
- 2. The City Council finds that this Resolution is not subject to the California Environmental Quality Act ("CEQA") pursuant to CEQA guidelines, California Code of Regulations, Title 14, Chapter 3, §15060(c)(2) [the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment] and §15060(c)(3) [the activity is not a project as defined in §15378] because it has no potential for resulting in physical change to the environment, directly or indirectly.

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1	 This Resolution shall take effective immediately upon its adoption. 	
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3	APPROVED and ADOPTED thisday of	_ 2021.
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6	ALEX FISCH, Mayor	
7	City of Culver City, California	
8	ATTEST: APPROVED AS TO FORM:	
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10	Action Baker	
11	JEREMY GREEN City Clerk CAROL A. SCHWAB City Attorney	
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EXHIBIT A



CITY MANAGER'S OFFICE

CITY OF CULVER CITY

(310) 253-6000 • FAX (310) 253-6010

9770 CULVER BOULEVARD, CULVER CITY, CALIFORNIA 90232-0507

Thirty-Fourth Supplement to Public Order Under City of Culver City Emergency Authority

Issue Date: February 25, 2021

Subject: Extension of and Modifications to Commercial Tenant Eviction

Moratorium

On March 14, 2020, I issued a Proclamation of Local Emergency, as a result of a positive coronavirus respiratory disease (COVID-19) case in our City as well as a rapid increase in cases throughout Los Angeles County ("Local Emergency"). Since that time, I have ordered a number of additional measures to be taken across the City to protect the public and City workers from an undue risk of contracting the COVID-19 virus.

During this unprecedented time, various orders have been issued by the State of California and the Los Angeles County Department of Public Health, as well as a number of our neighboring communities, designed to protect both residential and commercial tenants from eviction during the COVID-19 pandemic.

On March 16, 2020, I issued a Public Order enacting new City measures to protect members of the public and City workers from undue risk of COVID-19, which included the imposition of a moratorium on residential tenant evictions ("Residential Tenant Eviction Moratorium" or "RTEM"). On March 27th, the RTEM was expanded in scope and extended to May 31, 2020.

Subsequently, on March 20, 2020, I issued a First Supplement to Public Order, which included protections for commercial tenants against evictions based on an inability to pay rent due to COVID-19 related circumstances ("Commercial Tenant Eviction Moratorium" or "CTEM"). The RTEM and the CTEM are collectively referred to as "Eviction Moratoria."

On April 7, 2020, as economic impacts continued, affecting both residential and commercial tenants and their ability to fulfill their financial obligations, including the payment of rent, I issued a Fifth Supplement to Public Order extending the Commercial Tenant Eviction Moratorium through May 31, 2020 to align with the Residential Tenant Eviction Moratorium.

On April 27, 2020, the City Council considered and discussed concerns of a slow financial recovery once the stay at home orders are lifted and tenants are able to go back to work or reopen a business, as the case may be, and the challenge for tenants to repay unpaid

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rent that accrued during the Eviction Moratoria ("Back Rent") while keeping up with current rent due; and the City Council directed the City Manager to extend the period for the payment of Back Rent from 6 months to 12 months, finding there to be a public interest in ensuring tenants have a sufficient recovery period once the Eviction Moratoria have expired, preserving and increasing housing security and stability, and preventing residents from falling into homelessness due to this health crisis.

On April 28, 2020, I issued an Eighth Supplement to Public Order extending the grace period within which a tenant has to repay Back Rent to 12 months after the expiration of the Eviction Moratoria, consistent with the City Council's direction.

On May 11 and May 18, 2020, the City Council discussed possible options for including repayment plan provisions in the Eviction Moratoria, in order to ensure that tenants are not faced with unmanageable "balloon payments" at the end of the 12-month grace period, and risk eviction for nonpayment of Back Rent, and directed the City Manager to include provisions in the Eviction Moratoria to encourage and incentivize a landlord and tenant to negotiate a repayment plan over the 12-month grace period. The respective Implementation Measures for the Eviction Moratoria were updated accordingly.

Also on May 18, 2020, the City Council considered extension of the Eviction Moratoria and exceptions to the Commercial Tenant Eviction Moratorium for larger companies, and directed the City Manager to issue a public order to (1) extend the Eviction Moratoria to August 31, 2020 or the end of the Local Emergency, whichever occurs earlier; (2) exclude from the CTEM multi-national companies, publicly traded companies, or companies that employ 200 or more employees; and (3) reduce the grace period for the repayment of Back Rent from 12 months to 6 months for commercial tenants that have 10 or more, but less than 200, employees.

On May 19, 2020, I issued a Twelfth Supplement to Public Order consistent with the City Council's direction.

On May 26, 2020, the City Council amended the May 19, 2020 Order to strike the provision, which reduced the grace period for the repayment of Back Rent from 12 months to 6 months for commercial tenants that have 10 or more, but less than 200, employees.

In late June and during the month of July, 2020, due to increases in the daily reported COVID-19 cases, hospitalizations, and the testing positivity rates, the Los Angeles County Public Health Officer issued revised orders, in alignment with the California Governor's announcements, requiring the closure of specific activities and business sectors, superseding previous orders (which had allowed many businesses to reopen), to address the serious regression of COVID-19 indicators within Los Angeles County. Such closures of certain higher risk businesses, recreational sites, commercial properties, and activities, where more frequent and prolonged person-to-person contacts are likely to occur, superseded any previous openings permitted in Culver City.

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On August 3, 2020, the City Council discussed an extension of the Eviction Moratoria based on concerns that although the City is in a "recovery" period, these recent closures will have a significant financial impact on many individuals and businesses. While some people have been able to go back to work or reopen a business, many others are still out of work and many businesses have been ordered to close once again. As a result, it will be a slow financial recovery and may be challenging for many tenants, both residential and commercial, to begin paying rent on September 1, 2020, if the current Eviction Moratoria expire on August 31, 2020. As such, the City Council directed the City Manager to extend the Eviction Moratoria to September 30, 2020.

On August 4, 2020 I issued a Twenty-Second Supplement to Public Order consistent with the City Council's direction.

On August 31, 2020, the Governor signed AB 3088, the Tenant, Homeowner, and Small Landlord Relief and Stabilization Act of 2020, urgency legislation which took effect immediately. The Act consists of two components, the COVID-19 Small Landlord and Homeowner Relief Act of 2020, which addresses mortgage relief; and the COVID-19 Tenant Relief Act of 2020 ("CTRA"), which addresses non-payment of rent due to COVID-19. Under AB 3088 the City's Residential Tenant Eviction Moratorium will remain in effect until its current expiration date of September 30, 2020; however, any extension or modification would not become effective until February 1, 2021.

On September 14, 2020, the City Council discussed the status of the Eviction Moratoria and the current financial climate for Culver City's residential and commercial tenants. Due to the preemption by AB 3088, the City Council did not direct any extension of the Residential Tenant Eviction Moratorium at this time. However, the City Council directed extension of the Commercial Tenant Eviction Moratorium through January 31, 2021. In addition, City Council directed staff to work with the Economic Recovery Task Force (ERTF) to explore potential classifications or modifications to the current moratorium relative to reopening parameters outlined by the State and County.

On September 17, 2020, I issued a Twenty-Sixth Supplement to Public Order consistent with the City Council's direction.

During October 2020, the County of Los Angeles Public Health Officer revised its Orders and protocols to continue to phase in additional limited reopenings; however, businesses continue to experience a slow financial recovery. According to a September 2020 Economic Impact Report issued by Yelp, there has been a 34% increase in permanent business closures since mid-July. Further, there is extremely limited financial assistance available to both landlords and tenants of commercial property.

On November 9, 2020, the City Council discussed the ERTF's comments and recommendations regarding the Commercial Tenant Eviction Moratorium with the goal of determining if modifications to the CTEM could facilitate current rent payment and reduce large and likely untenable payments triggered at the termination of the Moratorium and

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expiration of the 12-month grace period for the repayment of back rent. After thorough deliberation of the matter, the City Council (1) determined that further discussion and analysis is needed and directed staff to work with the City Council Economic Development Subcommittee on the issues of (a) potential mediation program, (b) redefining rent to exclude common area maintenance (CAM) fees, (c) tiered payment structure, and (d) increased advocacy for federal and state forbearance intervention; (2) directed staff to return to City Council in January 2021 for further discussion of the CTEM; and (3) directed the City Manager to extend the CTEM through March 31, 2021.

On November 12, 2020, I issued a Thirtieth Supplement to Public Order consistent with the City Council's direction.

On February 22, 2021, the City Council considered recommendations from the Economic Development Subcommittee with regard to proposed modifications to the CTEM and directed the City Manager (1) to extend the CTEM through the end of the Local Emergency; (2) to modify the definition of "Commercial Tenant" to exclude, effective March 1, 2021, any company that, together with that company's parent, subsidiary, affiliated, and related companies, employed 200 or more employees on March 20, 2020; (3) effective April 1, 2021, to require commercial tenants to pay 25% of the current rent due each month in order to qualify for eviction protection under the CTEM; and (4) to refer landlords and tenants to mediation services at LA Represents, a coalition of law firms, bar associations and attorneys who will provide COVID-19-related legal services free of charge as part of their pro bono commitments. The City Council further directed staff to use its discretion to enhance the documentation requirements of the CTEM Implementation Measures in order to facilitate a clearer understanding of those requirements by landlords and tenants.

By virtue of the authority vested in me as the Director of Emergency Services, pursuant to the provisions of CCMC Section 3.09.020.B.1.h(2), to make and issue rules and regulations on matters reasonably related to the protection of persons, property and the environment as affected by such emergency, I hereby declare the following orders to be necessary for the protection of life and property and I hereby order ("Public Order"):

- The Commercial Tenant Eviction Moratorium shall be extended through the termination of the Local Emergency, as determined by resolution of the City Council.
- 2. The definition of Commercial Tenant shall be amended as follows:

"Commercial Tenant" means any individual, agency, association, branch, corporation, estate, group, partnership, or other entity or organization entitled by Lease or by sufferance, to the use or occupancy of a Commercial Property, provided that such person holds a valid business license issued by the City of Culver City, unless exempt from business license requirements under the Culver City Municipal Code. Effective June 1, 2020,

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"Commercial Tenant" shall not include a multi-national company, publicly traded company, or a company that employed 200 or more employees on March 20, 2020. Effective March 1, 2021, "Commercial Tenant" shall not include a multi-national company, publicly traded company, or a company that, together with that company's parent, subsidiary, affiliated, and related companies, employed 200 or more employees on March 20, 2020.

- 3. Effective April 1, 2021, commercial tenants shall be required to pay 25% of the current rent due in order to qualify for eviction protection under the Commercial Tenant Eviction Moratorium.
- 4. In situations where the City is no longer able to provide assistance to a landlord and tenant in resolving their dispute, City staff may refer the parties to mediation services LA Represents: https://corona-virus.la/LARepresents.
- 5. The CTEM Implementation Measures shall be amended to:
 - a. Further enhance the documentation needed for a tenant to demonstrate an inability to pay rent due to COVID-19 related circumstances, and to facilitate a clearer understanding of such requirements by landlords and tenants.
 - b. Further clarify that it is the intent of the CTEM to protect Commercial Tenants from eviction due to an inability to pay rent due to COVID-19related circumstances, provided that they meet certain conditions of the CTEM and its Implementation Measures; and it is not the intent of the CTEM to preclude a landlord from seeking payment, by other lawful means, of current rent due or back rent owed.
- 6. The CTEM Implementation Measures shall be further amended to be consistent with this Public Order in all other respects, including any amendments that may enhance the clarity of the procedures established therein.
- All other provisions of the Commercial Tenant Eviction Moratorium not specifically amended herein shall remain in full force and effect through the termination of the Local Emergency.

Pursuant to the authority set forth in Ordinance No. 2020-007, each and every violation of the Eviction Moratoria may be subject to an administrative fine of up to \$1,000. Each separate day, or any portion thereof, during which any violation occurs or continues, constitutes a separate violation.

Any violation of this Public Order may also be enforced under the CCMC, which provides for criminal penalties not to exceed \$1,000 or imprisonment not to exceed six months or both. Individual officers should use their discretion in enforcing this Public Order and always keep the intent of this Public Order in mind.

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This Public Order shall be effective immediately and shall remain in effect through the termination of the Local Emergency, as determined by resolution of the City Council. This Public Order may be superseded, amended, modified, extended or rescinded prior to termination of the Local Emergency.

Date: _02/25/2021

John M. Nachbar, City Manager Director of Emergency Services

City of Culver City