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Item No. 7

MAR 19 2020

City of South Gate  
CITY COUNCIL

CITY OF SOUTH GATE  
OFFICE OF THE CITY MANAGER

2:50pm

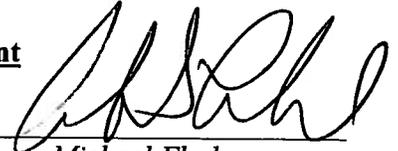
AGENDA BILL

For the Regular Meeting of: March 24, 2020  
Originating Department: Community Development

Department Director:

  
Joe Perez

City Manager:

  
Michael Flad

**SUBJECT: RESOLUTION RATIFYING EXECUTIVE ORDER NO. 03.18.2020 BY THE DIRECTOR OF EMERGENCY SERVICES RESTRICTING COMMERCIAL AND RESIDENTIAL EVICTIONS DUE TO THE SPREAD OF THE CORONAVIRUS DISEASE 2019**

**PURPOSE:** To consider adopting a Resolution ratifying an executive order that temporarily halts evictions due to nonpayment of rent for residential and commercial tenants where the failure to pay rent results from income loss resulting from the novel Coronavirus (COVID-19), and setting forth the facts constituting such urgency. This proposed Resolution will go into effect immediately upon adoption and will remain in effect through and including April 30, 2020.

**RECOMMENDED ACTION:** Adopt Resolution ratifying the issuance of Executive Order No. 03.18.2020 by the Director of Emergency Services restricting eviction of commercial and residential tenants due to the spread of the Coronavirus Disease 2019.

**FISCAL IMPACT:** None.

**ANALYSIS:** The Coronavirus pandemic (COVID-19) has impacted the operations of restaurants, schools, businesses and other establishments throughout the County of Los Angeles, including the City of South Gate. These disruptions have mostly been the result of the County and State orders to close businesses, restrict services provided to the public, or limit the number of persons that can gather in contained areas. As a result of this public health emergency and the precautions recommended by health authorities, many residential and commercial tenants in South Gate have experienced or expect soon to experience sudden and unexpected income loss.

Federal Actions

On March 18, 2020, the Department of Housing and Urban Development (HUD) suspended evictions and foreclosures through the end of April, 2020. HUD's action applies only to homeowners with mortgages insured by the Federal housing administration, a HUD agency that backs affordable home loans issued through private firms.

State Executive Order

On Monday, March 16, 2020, California Governor Gavin Newsom issued Executive Order N-28-20 (Attachment A), allowing local governments to exercise their police powers to impose substantive limitations on residential and/or commercial evictions to help protect renters and homeowners during

the coronavirus pandemic, which includes halting evictions, slowing foreclosures and protecting against utility shutoffs. Many entities including the City of Los Angeles, City of Santa Monica, City of West Hollywood, City of Maywood and others have recently issued orders or adopted regulations to prevent the eviction of tenants.

### Proposed City Resolution

The proposed Resolution ratifies Executive Order 03.18.2020, which declared a temporary moratorium on evictions for nonpayment of rent by residential or commercial tenants impacted by the COVID -19 crisis. This Executive Order was executed on March 18, 2020, filed with the City Clerk's Office, posted on the City's website and via social media outlets. Landlords are also prohibited from evicting tenants for no fault evictions unless necessary for Health and Safety purposes. The Resolution requires tenants to demonstrate that they are unable to pay their rent due to financial impacts related to COVID-19. The tenant, within 30 days after the date the rent is due, must notify the landlord in writing of their lost income and inability to pay the full rent due to financial impacts related to COVID-19 and provide documentation for support of the claim.

In addition, the proposed Resolution will apply if the inability to pay rent is due to substantial medical costs related to COVID-19. Any medical or financial information provided to the landlord shall be held in confidence, and only used for evaluating the tenant's claim. For purposes of this Resolution "financial impacts related to COVID-19" include, but are not limited to, tenant lost household income as a result of any of the following: (1) being sick with COVID-19, or caring for a household or family member who is sick with COVID19; (2) lay-off, loss of hours, or other income reduction resulting from business closure or other economic or employer impacts of COVID-19; (3) compliance with a recommendation from a government health authority to stay home, self-quarantine, or avoid congregating with others during the state of emergency; (4) extraordinary out of pocket medical expenses; or (5) child care needs arising from school closures related to COVID-19.

The Resolution does not relieve the tenant from eventually paying the rent within six months after the expiration of the local emergency. The landlord may not charge a late fee on the rent. The Resolution is intended to be narrow and no other legal remedies available to landlord are affected by this Resolution. If approved, the Resolution will go into effect immediately upon adoption and will remain in effect through and including **April 30, 2020**.

**BACKGROUND:** On March 4, 2020, Los Angeles County declared a local and public health state of emergency in response to the increased spread of COVID-19, the disease caused by the novel coronavirus. As of March 19, 2020, there are 231 confirmed cases of COVID-19 and two deaths in Los Angeles County. This number is expected to continue to grow as the virus spreads throughout the community.

In response to the global pandemic, experts are urging all individuals to practice social distancing, which refers to avoiding close contact with other individuals in order to avoid catching the virus yourself and to avoid passing it on to others. The Centers for Disease Control and Prevention recommends that people who are mildly ill with COVID-19 or other similar illnesses self-isolate to avoid interacting in public. The State of California has also issued a policy that large gatherings should be rescheduled or canceled, while smaller events can proceed only if the organizers can implement social distancing of six feet per person. While these measures are necessary to fight the global pandemic, they can have extreme economic impacts. Fear of the widening public health crisis has

impacted consumer behavior, and as a result, people in our community may see their incomes reduced or may have to take time off work to care for their health or the health of family members. In the face of this uncertainty, residents and business owners may need to make difficult financial decisions and may be unable to pay rent due to reduced income.

During a state of emergency, it is a crime for a landlord to take advantage of the situation by evicting a tenant and then raising the rent above the existing tenant's rent under Penal Codes. 396(f). In addition to the City's general police power under article XI, section 7 of the California Constitution to make and enforce within its limits all local, police, sanitary, and other Resolutions and regulations not in conflict with general laws, during a local emergency, Government Code, § 8634 (and WHMC Chapter 2.80) also authorize the City to promulgate orders and regulations necessary to provide for the protection of life and property.

**ATTACHMENTS:** A. Proposed Resolution  
B. South Gate Proclamation Issuing Executive Order No. 03.18.2020  
C. State of California Executive Order N-28-20

**RESOLUTION NO.**

**CITY OF SOUTH GATE  
LOS ANGELES COUNTY, CALIFORNIA**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,  
CALIFORNIA, RATIFYING THE ISSUANCE OF EXECUTIVE ORDER  
NO. 03.18.2020 BY THE DIRECTOR OF EMERGENCY SERVICES  
TO RESTRICT EVICTION OF COMMERCIAL AND RESIDENTIAL  
TENANTS DUE TO THE SPREAD OF THE CORONAVIRUS DISEASE 2019**

**WHEREAS**, international, national, state, and local health and governmental authorities are responding to an outbreak of respiratory disease caused by a novel coronavirus named "SARS-CoV-2," and the disease it causes has been named "coronavirus disease 2019," abbreviated COVID-19, ("COVID-19"); and

**WHEREAS**, on March 4, 2020, the Los Angeles County Board of Supervisors and Department of Public Health declared a local emergency and local public health emergency to aid the regional healthcare and governmental community in responding to COVID-19; and

**WHEREAS**, on March 4, 2020, the Governor of the State of California declared a state of emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19; and

**WHEREAS**, on March 13, 2020, the President of the United States of America declared a national emergency and announced that the federal government would make emergency funding available to assist state and local governments in preventing the spread of and addressing the effects of COVID-19; and

**WHEREAS**, on March 16, 2020, the Health Officer for the County of Los Angeles Department of Public Health issued a countywide order temporarily prohibiting group events and gatherings, and required the implementation of social distancing measures by at least six (6) feet; and

**WHEREAS**, the Centers for Disease Control and Prevention, the California Department of Health, and the Los Angeles County Department of Public Health have all issued recommendations including but not limited to social distancing, staying home if sick, canceling or postponing large group events, working from home, and other precautions to protect public health and prevent transmission of this communicable virus; and

**WHEREAS**, as a result of the public health emergency and the precautions recommended by health authorities, many tenants in South Gate have experienced or expect soon to experience sudden and unexpected income loss; and

**WHEREAS**, the Governor of the State of California has stated that individuals exposed to COVID-19 may be temporarily unable to report to work due to illness caused by COVID-19 or quarantines related to COVID-19 and individuals directly affected by COVID-19 may experience potential loss of income, health care and medical coverage, and ability to pay for housing and basic needs, thereby placing increased demands on already strained regional and local health and safety resources, including shelters and food banks; and

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

**WHEREAS**, during this local emergency, and in the interest of protecting the public health and preventing transmission of COVID-19, it is essential to avoid unnecessary housing displacement, to protect the City's affordable housing stock, and to prevent housed individuals from falling into homelessness; and

**WHEREAS**, on March 18, 2020, the Federal Housing Finance Agency has directed Fannie Mae and Freddie Mac to suspend foreclosures and evictions for a limited time due to the coronavirus national emergency. Borrowers impacted by the coronavirus may apply to their lender for a mortgage payment to be suspended for up to 12 months due to hardship caused by the coronavirus; and

**WHEREAS**, several municipalities in relation to residential and commercial tenancies have imposed limitations on the ability of a landlord to evict a tenant in light of the municipality having declared a local emergency; and

**WHEREAS**, the City's residential rental units (including 1-4 single family units, apartments, condominiums and townhomes) are, in part, owned by individuals who rely on rental income for the repayment of loans on those very same units; and/or rely on said rental income as retirement income, and the non-payment of rent could create a financial hardship for the individual owner(s), that could lead to potential or threatened foreclosure of said unit; and

**WHEREAS**, the City desires to provide a limited, measured response to restrict evictions for a limited period, by balancing potentially competing financial hardships between tenants and landlords during the period of declared emergency; and

**WHEREAS**, commercial businesses within the City have been particularly affected by federal, state and county recommendations and directives to avoid mass gatherings, enforce social distancing measures, offer food only via delivery service, via pick-up for takeout dining, and via drive through; and

**WHEREAS**, it is the intent of the City to provide a measured response to restrict evictions for a limited period, by balancing the potentially competing financial hardships between commercial property owners and the business tenants that rent from them; and

**WHEREAS**, the Los Angeles Superior Court has announced the closure of several civil courtrooms, thus contributing to the likely delay in the processing of eviction related cases; and

**WHEREAS**, loss of income because of COVID-19 may inhibit City residents and businesses from fulfilling their financial obligations, including public utility payments such as water and sewage charges and parking penalties; and

**WHEREAS**, ensuring that all people in the City continue to have access to running water during this public health crisis will enable compliance with public health directives that people regularly wash their hands will help to prevent the further spread of COVID-19; and

**WHEREAS**, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, it is necessary to exercise the authority to issue this regulation related to the protection of life and property; and

**WHEREAS**, on March 18, 2020, the City Manager of the City of South Gate, in his role as the Director of Emergency Services, proclaimed the existence of a local emergency within the City pursuant to Section 7.14.060(a) of the South Gate Municipal Code to ensure authority to take measures necessary to protect and preserve public health and safety, including seeking aid from state and federal authorities as necessary; and

**WHEREAS**, on March 18, 2020, the Director of Emergency Services also issued Executive Order No. 03.18.2020 to restrict eviction of commercial and residential tenants due to the spread of the COVID-19.

[Remainder of page left blank intentionally.]

**NOW, THEREFORE, THE CITY COUNCIL FOR THE CITY OF SOUTH GATE DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The City Council hereby ratifies the issuance of Executive Order No. 03.18.2020 by the Director of Emergency Services to restrict eviction of commercial and residential tenants due to the spread of the COVID-19, attached hereto as Exhibit "A" and dated March 18, 2020.

**SECTION 2.** The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

**PASSED, APPROVED and ADOPTED this 24<sup>th</sup> day of March 2020.**

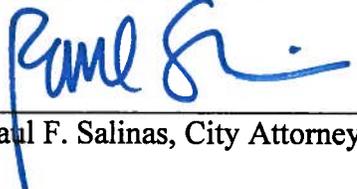
**CITY OF SOUTH GATE:**

By: \_\_\_\_\_  
M. Belen Bernal, Mayor

**ATTEST:**

By: \_\_\_\_\_  
Carmen Avalos, City Clerk  
(SEAL)

**APPROVED AS TO FORM:**

By:  \_\_\_\_\_  
Raul F. Salinas, City Attorney

## **Exhibit "A"**

### **PROCLAMATION ISSUING EXECUTIVE ORDER NO. 03.18.2020 BY THE DIRECTOR OF EMERGENCY SERVICES TO RESTRICT EVICTION OF COMMERCIAL AND RESIDENTIAL TENANTS DUE TO THE SPREAD OF THE CORONAVIRUS DISEASE 2019**

**WHEREAS**, international, national, state, and local health and governmental authorities are responding to an outbreak of respiratory disease caused by a novel coronavirus named "SARS-CoV-2," and the disease it causes has been named "coronavirus disease 2019," abbreviated COVID-19, ("COVID-19"); and

**WHEREAS**, on March 4, 2020, the Los Angeles County Board of Supervisors and Department of Public Health declared a local emergency and local public health emergency to aid the regional healthcare and governmental community in responding to COVID-19; and

**WHEREAS**, on March 4, 2020, the Governor of the State of California declared a state of emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19; and

**WHEREAS**, on March 13, 2020, the President of the United States of America declared a national emergency and announced that the federal government would make emergency funding available to assist state and local governments in preventing the spread of and addressing the effects of COVID-19; and

**WHEREAS**, on March 16, 2020, the Health Officer for the County of Los Angeles Department of Public Health issued a countywide order temporarily prohibiting group events and gatherings, and required the implementation of social distancing measures by at least six (6) feet; and

**WHEREAS**, on March 18, 2020, the City Manager of the City of South Gate, in his role as the Director of Emergency Services, proclaimed the existence of a local emergency within the City of South Gate ("City") pursuant to Chapter 7.14.060(a) of the South Gate Municipal Code to ensure authority to take measures necessary to protect and preserve public health and safety, including seeking aid from state and federal authorities as necessary; and

**WHEREAS**, the Centers for Disease Control and Prevention, the California Department of Health, and the Los Angeles County Department of Public Health have all issued recommendations including but not limited to social distancing, staying home if sick, canceling or postponing large group events, working from home, and other precautions to protect public health and prevent transmission of this communicable virus; and

**WHEREAS**, as a result of the public health emergency and the precautions recommended by health authorities, many tenants in South Gate have experienced or expect soon to experience sudden and unexpected income loss; and

**WHEREAS**, the Governor of the State of California has stated that individuals exposed to COVID-19 may be temporarily unable to report to work due to illness caused by COVID-19 or quarantines related to COVID-19 and individuals directly affected by COVID-19 may experience potential loss of income, health care and medical coverage, and ability to pay for housing and basic needs, thereby placing increased demands on already strained regional and local health and safety resources, including shelters and food banks; and

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

**WHEREAS**, during this local emergency, and in the interest of protecting the public health and preventing transmission of COVID-19, it is essential to avoid unnecessary housing displacement, to protect the City's affordable housing stock, and to prevent housed individuals from falling into homelessness; and

**WHEREAS**, on March 18, 2020, the Federal Housing Finance Agency has directed Fannie Mae and Freddie Mac to suspend foreclosures and evictions for a limited time due to the coronavirus national emergency. Borrowers impacted by the coronavirus may apply to their lender for a mortgage payment to be suspended for up to 12 months due to hardship caused by the coronavirus; and

**WHEREAS**, several municipalities in relation to residential and commercial tenancies have imposed limitations on the ability of a landlord to evict a tenant in light of the municipality having declared a local emergency; and

**WHEREAS**, the City's residential rental units (including 1-4 single family units, apartments, condominiums and townhomes) are, in part, owned by individuals who rely on rental income for the repayment of loans on those very same units; and/or rely on said rental income as retirement income, and the non-payment of rent could create a financial hardship for the individual owner(s), that could lead to potential or threatened foreclosure of said unit; and

**WHEREAS**, the City desires to provide a limited, measured response to restrict evictions for a limited period, by balancing potentially competing financial hardships between tenants and landlords during the period of declared emergency; and

**WHEREAS**, commercial businesses within the City have been particularly affected by federal, state and county recommendations and directives to avoid mass gatherings, enforce social distancing measures, offer food only via delivery service, via pick-up for takeout dining, and via drive through; and

**WHEREAS**, the Health Officer for Los Angeles County, effective March 16, 2020, has ordered the immediate closure of several business establishments, including bars and nightclubs that do not serve food, movie theatres, live performance venues, and gyms and fitness centers;

**WHEREAS**, it is the intent of the City to provide a measured response to restrict evictions for a limited period, by balancing the potentially competing financial hardships between commercial property owners and the business tenants that rent from them; and

**WHEREAS**, the Los Angeles Superior Court has announced the closure of several civil courtrooms, thus contributing to the likely delay in the processing of eviction related cases; and

**WHEREAS**, loss of income because of COVID-19 may inhibit City residents and businesses from fulfilling their financial obligations, including public utility payments such as water and sewage charges and parking penalties; and

**WHEREAS**, ensuring that all people in the City continue to have access to running water during this public health crisis will enable compliance with public health directives that people regularly wash their hands will help to prevent the further spread of COVID-19; and

**WHEREAS**, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, it is necessary to exercise my authority to issue this regulation related to the protection of life and property.

**NOW, THEREFORE**, I, Michael Flad, the Director of Emergency Services for the City of South Gate, do hereby issue the following Executive Order No. 03.18.2020 ("Order") to become effective immediately, subject to ratification as soon as practicable by the City Council:

**IT IS HEREBY ORDERED THAT:**

A temporary moratorium on eviction for non-payment of rent by residential or commercial tenants impacted by the COVID-19 crisis is imposed as follows:

**For purposes of this Order, from March 18, 2020 through and including April 30, 2020, no landlord shall endeavor to evict a residential or commercial tenant in either of the following situations:**

- (1) For nonpayment of rent if the tenant demonstrates that the tenant is unable to pay rent due to financial impacts related to COVID-19; or
- (2) For a no-fault eviction unless necessary for the health and safety of tenants, neighbors, or the landlord.

A landlord who knows that a tenant cannot pay some or all the rent temporarily for the reasons set forth above shall not serve a notice pursuant to California Code of Civil Procedure 1161(2), file or prosecute an unlawful detainer action based on a 3-day pay or quit notice, or otherwise seek to evict for nonpayment of rent. A landlord knows of a tenant's inability to pay rent within the meaning of this Order if the tenant, within 30 days after the date that rent is due, notifies the landlord in writing of lost income and inability to pay full rent due to financial impacts related to COVID-19, and provides documentation to support the claim. For purposes of this Order, "in writing" includes email or text communications to a landlord or the landlord's representative with whom the tenant has previously corresponded by email or text. Any medical or financial information provided to the landlord shall be held in confidence, and only used for evaluating the tenant's claim. Nothing in this Order shall relieve the tenant of liability for the unpaid rent, which the landlord may seek after expiration of the local emergency and the tenant must pay on such

terms as may be set by a judge assigned to hear the unlawful detainer action. A landlord may not charge or collect a late fee for rent that is delayed for the reasons stated in this Order; nor may a landlord seek rent that is delayed or the reasons stated in this Order through the eviction process.

For purposes of this Order, "financial impacts related to COVID-19" include, but are not limited to, tenant lost household income because of any of the following:

- (1) Being sick with COVID-19, or caring for a household or family member who is sick with COVID-19;
- (2) Lay-off, loss of hours, or other income reduction resulting from business closure or other economic or employer impacts of COVID-19;
- (3) Compliance with a recommendation from a government health authority to stay home, self-quarantine, or avoid congregating with others during the state of emergency;
- (4) Extraordinary out-of-pocket medical expenses; or
- (5) Child care needs arising from school closures related to COVID-19.

For purposes of this Order, "no-fault eviction" refers to any eviction for which the notice to terminate tenancy is not based on alleged fault by the tenant, including but not limited to eviction notices served pursuant to Code of Civil Procedure sections 1161(1), 1161(5), or 1161c.

This Order applies to nonpayment eviction notices, no-fault eviction notices, and unlawful detainer actions based on such notices, served or filed on or after the date on which a local emergency was proclaimed.

Subject to judicial review on a case by case basis, this Order grants a defense if an unlawful detainer action is commenced in violation of this Order.

[Remainder of page left blank intentionally.]

This Order shall be superseded by further Order by the Director of Emergency Services adopted during the local emergency that expressly superseding this Order, or by superseding action taken by the City Council.

As a result of the local emergency, for a period of 60 days from the date of this Order, the City hereby suspends: (a) the discontinuation or shut off of water service for residents and businesses in the City for non-payment of water and sewer bills; (b) the imposition of late payment penalties or fees for delinquent water and or sewer bills; and (c) the imposition of late payment penalties or fees for parking violations.

If any subsection, sentence, clause, phrase, or word of this Order or any application of it to any person, structure, or circumstance is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, then such decision will not affect the validity of the remaining portions or applications of this Order.

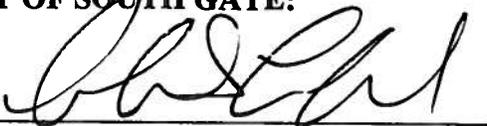
**THIS EXECUTIVE ORDER NO. 03.18.2020 IS HEREBY ISSUED** on this 18<sup>th</sup> day of March 2020, and is **EFFECTIVE IMMEDIATELY.**

Office of the  
South Gate City Clerk

MAR 18 2020

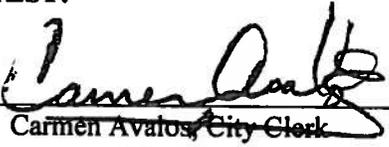
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**CITY OF SOUTH GATE:**

By: 

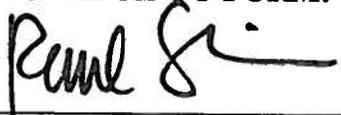
Michael Flad, City Manager/  
Director of Emergency Services

**ATTEST:**

By: 

Carmen Avalos, City Clerk  
(SEAL)

**APPROVED AS TO FORM:**

By: 

Raul F. Salinas, City Attorney

EXECUTIVE DEPARTMENT  
STATE OF CALIFORNIA

EXECUTIVE ORDER N-28-20

**WHEREAS** on March 4, 2020, I proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

**WHEREAS** despite sustained efforts, the virus remains a threat, and further efforts to control the spread of the virus to reduce and minimize the risk of infection and otherwise mitigate the effects of COVID-19 are needed; and

**WHEREAS** the economic impacts of COVID-19 have been significant, and could threaten to undermine Californians' housing security and the stability of California businesses; and

**WHEREAS** many Californians are experiencing substantial losses of income as a result of business closures, the loss of hours or wages, or layoffs related to COVID-19, hindering their ability to keep up with their rents, mortgages, and utility bills; and

**WHEREAS** Californians who are most vulnerable to COVID-19, those 65 years and older, and those with underlying health issues, are advised to self-quarantine, self-isolate, or otherwise remain in their homes to reduce the transmission of COVID-19; and

**WHEREAS** because homelessness can exacerbate vulnerability to COVID-19, California must take measures to preserve and increase housing security for Californians to protect public health; and

**WHEREAS** local jurisdictions, based on their particular needs, may therefore determine that additional measures to promote housing security and stability are necessary to protect public health or to mitigate the economic impacts of COVID-19; and

**WHEREAS** local jurisdictions may also determine, based on their particular needs, that promoting stability amongst commercial tenancies is also conducive to public health, such as by allowing commercial establishments to decide whether and how to remain open based on public health concerns rather than economic pressures, or to mitigate the economic impacts of COVID-19; and

**WHEREAS** in addition to these public health benefits, state and local policies to promote social distancing, self-quarantine, and self-isolation require that people be able to access basic utilities—including water, gas, electricity, and telecommunications—at their homes, so that Californians can work from home, receive public health information, and otherwise adhere to policies of social distancing, self-quarantine, and self-isolation, if needed; and

**WHEREAS** many utility providers, public and private, covering electricity, gas, water, and sewer, have voluntarily announced moratoriums on service disconnections and late fees for non-payment in response to COVID-19; and

**WHEREAS** many telecommunication companies, including internet and cell phone providers, have voluntarily announced moratoriums on service disconnections and late fees for non-payment in response to COVID-19;

**NOW, THEREFORE, I, GAVIN NEWSOM**, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes of the State of California, and in particular, Government Code sections 8567 and 8571, do hereby issue the following order to become effective immediately:

**IT IS HEREBY ORDERED THAT:**

- 1) The time limitation set forth in Penal Code section 396, subdivision (f), concerning protections against residential eviction, is hereby waived. Those protections shall be in effect through May 31, 2020.
- 2) Any provision of state law that would preempt or otherwise restrict a local government's exercise of its police power to impose substantive limitations on residential or commercial evictions as described in subparagraphs (i) and (ii) below—including, but not limited to, any such provision of Civil Code sections 1940 et seq. or 1954.25 et seq.—is hereby suspended to the extent that it would preempt or otherwise restrict such exercise. This paragraph 2 shall only apply to the imposition of limitations on evictions when:
  - (i) The basis for the eviction is nonpayment of rent, or a foreclosure, arising out of a substantial decrease in household or business income (including, but not limited to, a substantial decrease in household income caused by layoffs or a reduction in the number of compensable hours of work, or a substantial decrease in business income caused by a reduction in opening hours or consumer demand), or substantial out-of-pocket medical expenses; and
  - (ii) The decrease in household or business income or the out-of-pocket medical expenses described in subparagraph (i) was caused by the COVID-19 pandemic, or by any local, state, or federal government response to COVID-19, and is documented.

The statutory cause of action for judicial foreclosure, Code of Civil Procedure section 725a et seq.; the statutory cause of action for unlawful detainer, Code of Civil Procedure section 1161 et seq., and any other statutory cause of action that could be used to evict or otherwise eject a residential or commercial tenant or occupant of residential real property after foreclosure is suspended only as applied to any tenancy, or residential real property and any

occupation thereof, to which a local government has imposed a limitation on eviction pursuant to this paragraph 2, and only to the extent of the limitation imposed by the local government.

Nothing in this Order shall relieve a tenant of the obligation to pay rent, nor restrict a landlord's ability to recover rent due.

The protections in this paragraph 2 shall be in effect through May 31, 2020, unless extended.

- 3) All public housing authorities are requested to extend deadlines for housing assistance recipients or applicants to deliver records or documents related to their eligibility for programs, to the extent that those deadlines are within the discretion of the housing authority.
- 4) The Department of Business Oversight, in consultation with the Business, Consumer Services, and Housing Agency, shall engage with financial institutions to identify tools to be used to afford Californians relief from the threat of residential foreclosure and displacement, and to otherwise promote housing security and stability during this state of emergency, in furtherance of the objectives of this Order.
- 5) Financial institutions holding home or commercial mortgages, including banks, credit unions, government-sponsored enterprises, and institutional investors, are requested to implement an immediate moratorium on foreclosures and related evictions when the foreclosure or foreclosure-related eviction arises out of a substantial decrease in household or business income, or substantial out-of-pocket medical expenses, which were caused by the COVID-19 pandemic, or by any local, state, or federal government response to COVID-19.
- 6) The California Public Utilities Commission is requested to monitor measures undertaken by public and private utility providers to implement customer service protections for critical utilities, including but not limited to electric, gas, water, internet, landline telephone, and cell phone service, in response to COVID-19, and on a weekly basis publicly report these measures.

Nothing in this Order shall be construed to invalidate any limitation on eviction enacted by a local jurisdiction between March 4, 2020 and this date.

Nothing in this Order shall in any way restrict state or local authority to order any quarantine, isolation, or other public health measure that may compel an individual to remain physically present in a particular residential real property.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

**I FURTHER DIRECT** that as soon as hereafter possible, this proclamation be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

**IN WITNESS WHEREOF** I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 16th day of March 2020.



\_\_\_\_\_  
GAVIN NEWSOM  
Governor of California

**ATTEST:**

\_\_\_\_\_  
ALEX PADILLA  
Secretary of State