

CBPA Weekly Update: January 29, 2021

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RESIDENTIAL EVICTION MORATORIUM EXTENSION SIGNED INTO LAW

Today Governor Newsom signed into law an extension of the State's eviction moratorium, language that came together over the past week that includes how to spend \$2.6 Billion in federal funds tagged for residential rent relief.

The deal extends the provisions of AB 3088 signed into law last Fall, to June 30, 2021, with a few additions, including how to distribute Federal funds. The bill establishes the State Rental Assistance Program to allocate \$2.6 billion in federal rental assistance. The program will target aid to income-qualified tenants most at-risk with unpaid back rent.

Assistance will also be extended to residential property owners who agree to waive 20 percent of unpaid rent. By agreeing to this waiver, property owners will become eligible for 80 percent in rent reimbursements for amounts owed between April 1, 2020 and March 31, 2021.

As a reminder, this program includes residential leases/properties only — Commercial is NOT included in this deal/bill.

[Here](#) is what the Governor says about the measure.

Our friends at the California Apartment Association have provided an “Explainer” that lists all the major points of the compromise. We thank CAA for their work on this. [Click here](#) to see the summary of the deal.

We want to reiterate that commercial properties are not included in this measure. And that is due to the massive education effort we all put forth to defeat SB 939 earlier this year. We argued that the business-to-business nature of commercial transactions does not merit a heavy handed one-size-fits-all statewide ordinance and such a policy would stymie any economic recovery.

However, another measure has been introduced this year pertaining to non-residential evictions, AB 255 (Muratsuchi). We are currently working with Assemblymember Muratsuchi to see if the state can help fund small commercial tenants and small property owners in a similar fashion. The federal funds are restricted to residential tenants so the state will have to find an alternate source of funding.

[Click here](#) to read SB 91 (Committee on Budget).

STATE AGENCIES FOCUS ON VACCINE DELIVERY

The State of California has made the wrong kind of headlines recently noting our state was amongst the slowest in the nation getting the COVID-19 vaccine distributed. There are several underlying reasons why this is happening, one of them, however, is simply the complicated nature of the priority system adopted at the state and federal levels.

On behalf of the commercial, retail, and industrial real estate sector, we have been working directly with the Governor's office, the California Department of Public Health, and partners at other business groups, to make sure essential workers in our industry receive the vaccine in a timely manner.

Under the prioritization plan we accomplished that by making sure our essential employees working in "industrial, commercial, residential, and sheltering facilities and services," were prioritized in group 1b, which is as high as you can be without being in a healthcare/childcare classification.

However, to speed the delivery of the vaccine, the Governor adjusted the strategy this week which includes a few changes including expanding how the health care system delivers the vaccine and speeding up the ability for some older Californians. This has been meshed with the priority system above, so essential workers in our industry are still in the queue.

COVID-19 vaccines are currently available only for:

- Health care workers;
- Long-term care residents;
- Individuals 65 and older;
- Those at risk of exposure at work in the following sectors: Education and childcare; Emergency services; Food and agriculture.

Next on the priority list for vaccinations are:

- Those at risk of exposure at work in the following sectors: Transportation and logistics; Industrial, commercial, residential, and sheltering facilities and services; Critical manufacturing.

We understand the rules seem to be constantly evolving and we are doing our best to make sure you are informed.

Here is a new website being piloted under the new changes to help Californian's know when they are eligible for the vaccine. You will probably also have a local/county and/or healthcare provider websites. Sign-up for them all to make sure you can access the vaccine as soon as possible. [Click here](#) to view the website.

LAWSUIT FILED AGAINST L.A. COUNTY COMMERCIAL EVICTION BAN

Although we reported this last week, we are presenting the information again to assure our members are informed. The first lawsuit against a commercial local eviction moratorium was filed in Los Angeles County. [*Iten v. County of Los Angeles*](#) seeks to end L.A. County's commercial eviction ban. The Pacific Legal Foundation represents Howard Iten, the commercial property owner and plaintiff in the case.

Below is the PLF press statement, [here](#) is a link to the case page, and the online press release can be found, [here](#).

From the PLF press release:

Los Angeles; January 19, 2021: Today, the owner of a commercial building filed a lawsuit challenging Los Angeles County's moratorium on commercial evictions. The lawsuit is the first to challenge a commercial eviction moratorium.

Howard Iten is a retired auto mechanic who leases his garage to an auto repair franchisee, and he relies on the income from the lease for his retirement. Although his tenant's business has been open through the pandemic, the tenant owes Iten more than \$30,000 in rent.

"The County can't put the burden of the pandemic only on the shoulders of landlords," said Damien Schiff, a senior attorney at Pacific Legal Foundation. "L.A. County's heavy-handed response to COVID-19 has hit businesses hard. It's unfair and illegal for the County to force commercial landlords to bear the costs of those policies."

Filed in the U.S. District Court, [Iten v. County of Los Angeles](#) seeks to end L.A. County's commercial eviction ban. PLF represents Howard Iten free of charge.