

**CITY COUNCIL  
AGENDA REPORT**

**MEETING DATE:** 04/07/2020  
**AGENDA HEADING:** Regular Business

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**AGENDA DESCRIPTION:**

Consideration and possible action to adoption of an urgency ordinance to enact prohibitions against emergency price-gouging and a moratorium on residential tenant evictions related to the COVID-19 pandemic and declared states of emergency

**RECOMMENDED COUNCIL ACTION:**

- (1) Read by title only, waive further reading and adopt Urgency Ordinance No. \_\_\_U, AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES, CALIFORNIA, ADDING A NEW CHAPTER 9.36 (EMERGENCY PRICE-GOUGING PROTECTIONS) TO ARTICLE 9 (PUBLIC PEACE, MORALS AND WELFARE) OF THE RANCHO PALOS VERDES MUNICIPAL CODE TO ENACT PROHIBITIONS AGAINST EMERGENCY PRICE-GOUGING AND A MORATORIUM ON RESIDENTIAL TENANT EVICTIONS RELATED TO THE COVID-19 PANDEMIC AND FUTURE DECLARED STATES OF EMERGENCY.

**FISCAL IMPACT:** None

<b>Amount Budgeted:</b>	N/A
<b>Additional Appropriation:</b>	N/A
<b>Account Number(s):</b>	N/A

**ORIGINATED BY:** William W. Wynder, City Attorney

**REVIEWED BY:** Kit Fox, AICP, Interim Deputy City Manager 

**APPROVED BY:** Ara Mhrianian, AICP, City Manager 

**ATTACHED SUPPORTING DOCUMENTS:**

- A. Ordinance No. \_\_\_U (page A-1)
- B. Resolution No. 2020-11 (page B-1)

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**BACKGROUND:**

The disease caused by novel coronavirus, currently designated COVID-19, was first detected in Wuhan City, Hubei Province in China in December 2019. Since then, on January 30, 2020, the World Health Organization (WHO) declared COVID-19 a public health emergency of international concern.

On January 31, 2020, the United States Health and Human Services (HHS) Secretary declared this global outbreak a public health emergency for the United States. The Centers for Disease Control and Prevention (CDC) announced on February 25, 2020, that community spread of COVID-19 was likely to occur in the United States.

The State of California proclaimed a State of Emergency on March 4, 2020, and Los Angeles County declared a Local Health Emergency as well that same day. On March 11, 2020, the WHO characterized COVID-19 as a “pandemic.” On March 12, 2020, Governor Newsom issued Executive Order N-25-20, declaring that state and local public health officials may, as they deem necessary in the interest of public health, issue guidance limiting or recommending limitations upon attendance at public assemblies, conferences, or other mass events, which could cause the cancellation of such gatherings through no fault or responsibility of the parties involved, thereby constituting a *force majeure*. On March 13, 2020, President Trump Declared a National State of Emergency. On March 17, 2020, the Rancho Palos Verdes City Council declared a local emergency with the adoption of Resolution No. 2020-11 (Attachment B).

As of March 26, 2020, the World Health Organization (WHO) reported that there were almost 417,000 confirmed cases of COVID-19, nearly 19,000 of which resulted in death, across 196 countries. On March 26, 2020, the California Department of Public Health (CDPH) reported that California has 2,535 confirmed cases of COVID-19, 53 of which have resulted in death. The CDC anticipates that widespread transmission of COVID-19 in the United States will occur. As of March 26, 2020, Los Angeles County has reported 799 confirmed cases, including 13 deaths, within the County from COVID-19. Fourteen cases were confirmed on the Palos Verdes Peninsula and adjacent communities, including 5 cases in Rancho Palos Verdes.

## **DISCUSSION:**

Due to the rapid spread of the disease, there is the potential for a sharp increase in the price of household goods, particularly those related to sanitization, paper goods, and toiletries. California Penal Code §396 prohibits price gouging during times of declared emergencies and makes such actions misdemeanors with up to 1-year’s imprisonment and fines of up to \$1,000. However, more action is necessary at the local level to deter price-gouging and protect the community, most particularly its more vulnerable members.

One of the many effects of the COVID-19 pandemic is increased demands for consumer goods and products that can help people prepare for or protect themselves from the pandemic, including sanitary face masks, medical supplies, hand sanitizer, soap, disinfectants, household products, and groceries. Some unsavory individuals attempt to take advantage of these market demands by offering the in-demand products for sale at outrageous prices, a practice known as price-gouging.

By way of example, ABC7 News reported on March 5, 2020, that some online sellers were offering a two-pack of hand sanitizer for \$84.99 and face masks at a markup of 582%, and KTLA5 News reported on March 13, 2020, that Los Angeles City authorities

recently discovered a half-gallon of bleach being sold for over \$100 and two one-liter containers of hand sanitizer being sold online for \$149.

Specifically, California Penal Code §396 controls price increases for rental housing, consumer goods, and services related to emergency response and recovery for an initial period of thirty days after a declaration of an emergency by the President, Governor, or local agency, and generally prohibits charging a price that exceeds by more than ten percent of the price of the rental units, goods or services as such existed before the declaration of an emergency event.

Penal Code §396 permits a local legislative body to extend the price controls for additional thirty-day periods as needed to protect the lives, property or welfare of its citizens. Nothing in Penal Code §396 preempts a city's ability to adopt an ordinance that prohibits the same or similar conduct and allows a city to impose a more severe penalty for the conduct prohibited by Penal Code §396. Penal Code §396 applies to hotels, motels and any other rental housing with an initial lease term of no longer than one year.

Price gouging can occur during any emergency where the heightened demand for causes a spike in demand for certain types of products or services, whether such situation may arise from disease, natural disasters, wildfires, war, or otherwise.

Price gouging is not limited to household goods and can also occur in the context of rental housing with respect to increased rents. Of concern are those who may not be able to earn enough wages to pay for the next few months of rent on their homes. This can have the effect of precluding tenants from finding available housing and can lead to evictions in the event an existing tenant is faced with a rent increase that he or she cannot afford to pay.

This concern is especially pertinent in the context of the instant COVID-19 pandemic, considering the direction from all levels of government and health authorities regarding maintaining social distancing, avoiding large gatherings, and self-quarantining, much of which is not possible without a home.

The ordinance recommended in this report (Attachment A) will make it *illegal* to take the following actions:

- (a) ***Charge more than ten percent (10%) of the price normally charged by a seller for such consumer goods***, consumer food items, emergency medical supplies, building materials, and the like during the declaration of a national, state, or local emergency. Charging more than 10% will be permitted only if the seller can prove that the increase is directly due to additional costs imposed by a supplier of the goods or additional labor or materials to provide services.
- (b) ***Increase the residential rental rates of housing by more than ten percent (10%)*** to an existing or prospective tenant during the declaration of a national, state, or local emergency. An increase of more than 10% is permitted when the landlord can prove the increase is directly due to costs of repairs or additions

beyond the normal maintenance or that the increase is due to a contract agreed to by the tenant prior to the declaration of emergency.

- (c) ***Increase hotel or motel rooms by more than ten percent (10%)*** of its regular rates for that time of year, as advertised immediately prior to the declaration of a national, state, or local emergency. An increase of more than 10% is permitted if the landlord can prove that the increase is due to the additional costs imposed for goods or labor used in the business, seasonal adjustments in rates, or previously contracted rates prior to the emergency. It should be noted that this ordinance has no effect upon the City's current and on-going prohibition against short-term rental (STR) units in residential zoning districts.
- (d) ***Evict residential tenants of rental housing***, during the 30 days following the declaration of a national, state, or local emergency, or any period that the declaration is extended. The prohibition on evictions is not applicable to those eviction processes that began prior to the declaration of emergency. This is consistent with Executive Orders N-28-20 issued on March 16, 2020, and N-37-20 issued on March 27, 2020, by Governor Gavin Newsom.

The penalty for violating the proposed ordinance is a \$1,000 fine for the first-time violation, with \$1,000 fines for each additional violation. In addition, the violations are also punishable as misdemeanors, which carry imprisonment of up to one (1) year and fines of up to \$1,000, per offense.

Government Code §§ 36934 and 36937 authorize the City Council, by a four-fifths vote, to adopt an urgency ordinance that becomes effective immediately upon its adoption for the immediate preservation of the public peace, health or safety of the City

**ALTERNATIVES:**

In addition to the Staff recommendation, the following alternative action is available for the City Council's consideration:

1. Do not adopt the recommended urgency ordinance.

**ORDINANCE NO. \_\_\_U**

**AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES, CALIFORNIA, ADDING A NEW CHAPTER 9.36 (EMERGENCY PRICE-GOUGING PROTECTIONS) TO ARTICLE 9 (PUBLIC PEACE, MORALS AND WELFARE) OF THE RANCHO PALOS VERDES MUNICIPAL CODE TO ENACT PROHIBITIONS AGAINST EMERGENCY PRICE-GOUGING AND A MORATORIUM ON RESIDENTIAL TENANT EVICTIONS RELATED TO THE COVID-19 PANDEMIC AND FUTURE DECLARED STATES OF EMERGENCY**

WHEREAS, Government Code §§ 36934 and 36937 authorize the City Council of the City of Rancho Palos Verdes (“City Council”), by a four-fifths vote, to adopt an urgency ordinance that becomes effective immediately upon its adoption by a four-fifths vote of the entire City Council for the immediate preservation of the public peace, health or safety of the City; and,

WHEREAS, in December, 2019, an outbreak of respiratory illness due to a novel coronavirus (COVID-19) was first identified in Wuhan City, Hubei Province, China; and,

WHEREAS, the Centers for Disease Control and Prevention (CDC) considers COVID-19 to be a very serious public health threat with outcomes ranging from very mild (including some with no reported symptoms) to severe, including illness resulting in death; and,

WHEREAS, according to the CDC, there is no vaccine to prevent COVID-19 and there is no specific antiviral treatment recommended for COVID-19 at this time; and,

WHEREAS, on January 30, 2020, the World Health Organization (WHO) declared a Public Health Emergency of International Concern over the global spread of COVID-19; and,

WHEREAS, on January 31, 2020, Health and Human Services (HHS) declared a Public Health Emergency for the United States to aid the nation’s healthcare community in responding to COVID-19; and,

WHEREAS, the California Department of Public Health (CDPH) has activated its Medical and Health Coordination Center, and the Office of Emergency Services recently activated the State Operations Center to provide support and guide actions to preserve public health; and,

WHEREAS, on March 4, 2020, Governor Gavin Newsom declared a State of Emergency for the State of California; and,

WHEREAS, on March 11, 2020, the WHO characterized COVID-19 as a “pandemic”; and

WHEREAS, on March 12, 2020, Governor Newsom issued Executive Order No. N-25-20 regarding COVID-19; and,

WHEREAS, on March 13, 2020, President Trump declared a National State of Emergency in response to increased spread of COVID-19; and,

WHEREAS, in March 17, 2020, the Rancho Palos Verdes City Council adopted Resolution No. 2020-11 declaring a local emergency in response to COVID-19; and,

WHEREAS, one of the many effects of the COVID-19 pandemic is increased demands for consumer good and products that can help people prepare for or protect themselves from the pandemic, including sanitary face masks, medical supplies, hand sanitizer, soap, disinfectants, household products, and groceries. Some unsavory individuals attempt to take advantage of these market demands by offering the in-demand products for sale at outrageous prices, a practice known as price-gouging. By way of example, ABC7 News reported on March 5, 2020, that some online sellers were offering a two-pack of hand sanitizer for \$84.99 and face masks at a markup of 582%, and KTLA5 News reported on March 13, 2020, that Los Angeles City authorities recently discovered a half-gallon of bleach being sold for over \$100 and two one-liter containers of hand sanitizer being sold online for \$149; and,

WHEREAS, price gouging is not limited to household goods, and can also occur in the context of rental housing with respect to increased rents. This can have the effect of precluding tenants from finding available housing and can lead to evictions in the event an existing tenant is faced with a rent increase that he or she cannot afford to pay. This concern is especially pertinent in the context of the instant COVID-19 pandemic, in light of the direction from all levels of government and health authorities regarding maintaining social distancing, avoiding large gatherings, and self-quarantining, much of which is not possible without a home; and,

WHEREAS, during an address on March 4, 2020, Governor Gavin Newsom expressed a need to curb the abuse of price-gouging during the COVID-19 pandemic, and Attorney General Xavier Becerra issued a price-gouging alert, reminding Californians of laws prohibiting the practice; and,

WHEREAS, specifically, California Penal Code § 396 controls price increases for rental housing, consumer goods, and services related to emergency response and recovery for an initial period of thirty days after a declaration of an emergency by the President, Governor, or local agency, and generally prohibits charging a price that exceeds by more than ten percent of the price of the rental units, goods or services as such existed before the declaration of an emergency event. Penal Code § 396 permits a local legislative body to extend the price controls for additional thirty-day periods as needed to protect the lives, property or welfare of its citizens. Nothing in Penal Code § 396 preempts a city's ability to adopt an ordinance that prohibits the same or similar

conduct and allows a city to impose a more severe penalty for the conduct prohibited by Penal Code § 396. Penal Code § 396 applies to hotels, motels and any other rental housing with an initial lease term of no longer than one year; and,

WHEREAS, price gouging can occur during any emergency that causes a spike in demand for certain types of products or services, whether such situation may arise from disease, natural disasters, wildfires, war, or otherwise; and,

WHEREAS, on March 16, 2020, Governor Gavin Newsom issued Executive Order N-28-20 prohibiting price gouging and limiting civil evictions of any residential tenant of residential housing after the proclamation of a state of emergency which provides, in relevant part, that “[a]ny 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 . . . 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”; and,

WHEREAS, on March 27, 2020, Governor Gavin Newsom issued Executive Order N-37-20 providing a 60-day extension of Civil Code section 1167 for residential tenants served with eviction notices for non-payment of rent until at least May 31, 2020, provided that the tenant provides 7 days’ written notice to the landlords, and that the inability to pay rent is related to a COVID-19 issue, including personal sickness, or caring for a household or family member who is sick, with COVID-19; lay-off, loss of hours or other income reduction related to COVID-19; or missing work to care for a child whose school was closed in response to COVID-19; and,

WHEREAS, based on the foregoing, the City Council seeks and intends to protect the residents and guests of the City of Rancho Palos Verdes by enacting protections against price gouging, not only during the current declared state of emergency related to the COVID-19 pandemic, but in any future declared state of emergency necessitating these protections.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

**Section 1.** The foregoing recitals are true and correct and are incorporated herein by reference as findings of fact.

**Section 2.** The City Council finds that there is a current and immediate threat to public health, safety, and welfare posed by COVID-19, and there is an immediate need for the preservation of public peace, health or safety of the residents and community of the City. One of the many effects of the COVID-19 pandemic is increased demands for consumer good and products that can help people prepare for or protect themselves from the pandemic, including sanitary face masks, medical supplies, hand sanitizer, soap, disinfectants, household products, and groceries. Some unsavory individuals attempt to take advantage of these market demands by offering the in-demand products for sale at outrageous prices, a practice known as price-gouging. By way of example, ABC7 News

reported on March 5, 2020, that some online sellers were offering a two-pack of hand sanitizer for \$84.99 and face masks at a markup of 582%, and KTLA5 News reported on March 13, 2020, that Los Angeles City authorities recently discovered a half-gallon of bleach being sold for over \$100 and two one-liter containers of hand sanitizer being sold online for \$149. Price gouging is not limited to household goods and can also occur in the context of rental housing with respect to increased rents. Of concern are those who may not be able to earn enough wages to pay for the next few months of rent on their homes. This can have the effect of precluding tenants from finding available housing and can lead to evictions in the event an existing tenant is faced with a rent increase that he or she cannot afford to pay. This concern is especially pertinent in the context of the instant COVID-19 pandemic, considering the direction from all levels of government and health authorities regarding maintaining social distancing, avoiding large gatherings, and self-quarantining, much of which is not possible without a home.

**Section 3.** A new Chapter 9.36 (Emergency Price-Gouging Protections) is hereby added to Article 9 (Public Peace, Morals and Welfare) of the Rancho Palos Verdes Municipal Code, to read in its entirety as follows:

## **“CHAPTER 9.36 – EMERGENCY PRICE-GOUGING PROTECTIONS**

### **9.36.010. Purpose.**

The purpose of this chapter is to establish protections against price gouging in certain goods and services, rental housing, transient housing, and residential evictions during a declared emergency, as may be proclaimed by the City Manager and/or City Council from time to time pursuant to Chapter 2.24 of this Code.

### **9.36.020 Definitions.**

1. “Building materials” means lumber, construction tools, windows, and anything else used in the building or rebuilding of property.
2. “Consumer food item” means any article that is used or intended for use for food, drink, confection, or condiment by a person or animal.
3. "Declared Emergency" means a state of emergency or local emergency.
4. "Emergency Declaration Period" means the longer of the period of time stated in the declaration of a state of emergency, or the declaration of a local emergency or such other period of time established by the City Council by ordinance.
5. “Emergency supplies” includes, but is not limited to, water, flashlights, radios, batteries, candles, blankets, soaps, diapers, temporary shelters, tape, toiletries, plywood, nails, and hammers.

6. "Gasoline" means any fuel used to power any motor vehicle or power tool.

7. "Goods" has the same meaning as defined in subdivision (c) of Section 1689.5 of the Civil Code.

8. "Housing" means any rental housing with an initial lease term of no longer than one year.

9. "Local Emergency" means a natural or manmade emergency resulting from an earthquake, flood, fire, riot, storm, drought, plant or animal infestation or disease, or other natural or manmade disaster for which a local emergency has been declared by the City Council or City official vested with such authority to make such declaration.

10. "Medical supplies" includes, but is not limited to, prescription and nonprescription medications, bandages, gauze, isopropyl alcohol, and antibacterial products.

11. "Rental Price" for housing means any of the following:

A. For housing rented within one-year prior to the time of the proclamation or declaration of emergency, the actual rental price paid by the tenant. For housing not rented at the time of the declaration or proclamation, but rented, or offered for rent, within one-year prior to the proclamation or declaration of emergency, the most recent Rental Price offered before the proclamation or declaration of emergency. For housing rented at the time of the proclamation or declaration of emergency but which becomes vacant while the proclamation or declaration of emergency remains in effect, the actual rental price paid by the previous tenant or the amount specified in subparagraph B of this definition, whichever is greater. This amount may be increased by five percent if the housing was previously rented or offered for rent unfurnished, and it is now being offered for rent fully furnished. This amount shall not be adjusted for any other good or service, including, but not limited to, gardening or utilities currently or formerly provided in connection with the lease.

B. For housing not rented and not offered for rent within one-year prior to the proclamation or declaration of emergency, one hundred sixty percent of the fair market rent established by the United States Department of Housing and Urban Development. This amount may be increased by five percent if the housing is offered for rent fully furnished. This amount shall not be adjusted for any other good or service, including, but not limited to, gardening or utilities currently or formerly provided in connection with the lease.

12. "State of Emergency" means a natural or manmade emergency resulting from an earthquake, flood, fire, riot, storm, drought, plant or animal

infestation or disease, or other natural or manmade disaster for which a state of emergency has been declared by the President of the United States or the Governor.

13. "Transportation, freight, and storage services" means any service that is performed by any company that contracts to move, store, or transport personal or business property or that rents equipment for those purposes, including towing services.

**9.36.030. Prohibitions on Price Gouging.**

A. Consumer Goods. It is unlawful for a person, contractor, business, or other entity to sell or offer to sell any consumer food items or goods, goods or services used for emergency cleanup, emergency supplies, medical supplies, home heating oil, building materials, housing, transportation, freight, and storage services, or gasoline or other motor fuels for a price of more than ten percent greater than the price charged by that person for those goods or services immediately prior to the emergency declaration period. However, a greater price increase is not unlawful if that person can prove that the increase in price was directly attributable to additional costs imposed on it by the supplier of the goods, or directly attributable to additional costs for labor or materials used to provide the services, during the emergency declaration period, and the price is no more than ten percent greater than the total of the cost to the seller plus the markup customarily applied by the seller for that good or service in the usual course of business immediately prior to the onset of the emergency declaration period.

B. Rental Housing. It is unlawful for any person, business or other entity, during an emergency declaration period, to increase the rental price, advertised, offered, or charged for housing, to an existing or prospective tenant, by more than ten percent. However, a greater rental price increase is not unlawful if that person can prove that the increase is directly attributable to additional costs for repairs or additions beyond normal maintenance that were amortized over the rental term that caused the rent to be increased greater than ten percent or that an increase was contractually agreed to by the tenant prior to the proclamation or declaration.

C. Transient Housing. It is unlawful for any person, business or other entity during the emergency declaration period to rent or lease a hotel or motel room, or other long-term rental unit, in the City of Rancho Palos Verdes, for more than ten percent above the hotel, motel or other long-term rental's regular rates, as advertised immediately prior to the occurrence of a declared emergency, unless that person, business or other entity can prove that the increase in price is directly attributable to additional costs imposed on it for goods or labor used in the business, to seasonal adjustments in

rates that are regularly scheduled, or to previously contracted rates prior to the proclamation or declaration.

**9.36.040. Restrictions on Evictions.**

A. It shall be unlawful for any person, business, or other entity to evict any residential tenant of residential housing after the proclamation of a state of emergency declared by the President of the United States or the Governor, or upon the declaration of a local emergency by the City Council or other City official vested with authority to make that declaration, and for a period of thirty days following that proclamation or declaration, or any period that the proclamation or declaration is extended by the applicable authority.

B. It shall also be unlawful to rent or offer to rent to another person at a rental price greater than any lawfully evicted tenant could be charged prior to the proclamation of a state of emergency declared by the President of the United States or the Governor, or upon the declaration of a local emergency by the City Council or other City official vested with authority to make that declaration.

C. It shall not be a violation of this section for a person, business, or other entity to evict a tenant pursuant to Section 1161 of the California Code of Civil Procedure or to continue an eviction process that was lawfully begun prior to the proclamation of a state of emergency declared by the President of the United States or the Governor, or upon the declaration of a local emergency by the City Council or other City official vested with authority to make that declaration.

**9.36.050 Penalties for Violations.**

Any person violating the provisions of this chapter shall be subject to a penalty of \$1,000 for a first-time violation, and thereafter \$1,000 for each additional violation of such provisions. A violation of this Chapter is also punishable as a misdemeanor.”

**Section 4.** This Urgency Ordinance shall go into effect immediately upon its adoption by at least a four-fifths vote of the City Council pursuant to Government Code §§ 36934 and 36937. The City Council finds and determines that the same is necessary to the preservation of the public peace, health or safety, in that adoption of the same will help prevent price gouging during declared states of emergency.

**Section 5.** If any section, subsection, sentence, clause, phrase, or portion of this Ordinance, or the application thereof to any person or circumstances, is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the application of any other section, subsection, sentence, clause, phrase, or portion of this Ordinance, and to this end the invalid or unconstitutional section, subsection, sentence, clause, phrase of this ordinance are declared to be severable. The Rancho Palos Verdes City Council hereby declares that it

would have adopted this ordinance and each section, subsection, sentence, clause, phrase, part or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, parts or portions thereof be declared invalid or unconstitutional.

**Section 6.** The City Clerk shall certify to the adoption of this Ordinance and shall cause the same to be posted and codified in the manner required by law.

PASSED, APPROVED and ADOPTED this 7<sup>th</sup> day of April 2020, by a four-fifths vote of the entire City Council.

\_\_\_\_\_  
John Cruikshank, Mayor

ATTEST:

\_\_\_\_\_  
Emily Colborn, City Clerk

STATE OF CALIFORNIA )  
COUNTY OF LOS ANGELES ) ss  
CITY OF RANCHO PALOS VERDES )

I, Emily Colborn, City Clerk of the City of Rancho Palos Verdes, do hereby certify that the whole numbers of the City Council of said City is five; that the foregoing Ordinance No. \_\_\_U was duly and regularly adopted by the City Council of said City at a regular meeting thereof held on April 7, 2020, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAINED:

\_\_\_\_\_  
Emily Colborn, City Clerk

**RESOLUTION NO. 2020-11**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
RANCHO PALOS VERDES, DECLARING AND  
PROCLAIMING A LOCAL EMERGENCY IN RESPONSE TO  
COVID-19**

WHEREAS, in December, 2019, an outbreak of respiratory illness due to a novel coronavirus (COVID-19) was first identified in Wuhan City, Hubei, Province, China; and,

WHEREAS, the Center for Disease Control and Prevention (CDC) considers COVID-19 to be a very serious public health threat with outcomes ranging from very mild (including some with no reported symptoms) to severe, including illness resulting in death; and,

WHEREAS, according to the CDC, there is no vaccine to prevent COVID-19 and there is no specific antiviral treatment recommended for COVID-19 at this time; and,

WHEREAS, on January 30, 2020, the World Health Organization (WHO) declared a Public Health Emergency of International Concern over the global spread of the novel coronavirus (COVID-19); and,

WHEREAS, on January 31, 2020, Health and Human Services (HHS) Secretary Alex M. Azar II declared a Public Health Emergency for the United States to aid the nation's healthcare community in responding to COVID-19; and,

WHEREAS, the California Department of Public Health has activated its Medical and Health Coordination Center, and the Office of Emergency Services recently activated the State Operations Center to provide support and guide actions to preserve public health; and,

WHEREAS, on March 4, 2020, Governor Gavin Newsom declared a State of Emergency for the State of California; and,

WHEREAS, on March 4, 2020, the County of Los Angeles declared a Local Health Emergency in response to increased spread of COVID-19; and,

WHEREAS, on March 11, 2020, the WHO characterized COVID-19 as a "pandemic"; and,

WHEREAS, on March 12, 2020, Governor Newsom issued Executive Order N-25-20 regarding COVID-19; and,

WHEREAS, on March 13, 2020, President Trump declared a National State of Emergency in response to increased spread of COVID-19; and,

WHEREAS, there is one suspected (but as-yet-unconfirmed) case of COVID-19 on the Palos Verdes Peninsula, COVID-19 is easily transmissible from person to person and, as of March 15, 2020, has spread globally to over 146 countries and territories, has infected more than 153,000 individuals and killed more than 5,700 individuals per the WHO; and,

WHEREAS, it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases within the City, and to prepare to respond to an increasing number or individuals who may require medical care; and,

WHEREAS, strict compliance with certain Municipal Code and other City regulations would prevent, hinder, or delay appropriate actions to prevent and mitigate the effects of the COVID-19, which issue cannot be timely addressed absent a declaration of emergency; and,

WHEREAS, per Government Code §8630 a declaration of a local emergency shall not remain in effect for a period in excess of seven days unless it has been ratified by the City Council; and,

WHEREAS, Section 2.24.050 of the Rancho Palos Verdes Municipal Code appoints the City Manager as Director of Emergency Services, and empowers the Director request the City Council to proclaim the existence or threatened existence of a local emergency if the City Council is in session, or to issue such proclamation if the City Council is not in session; and,

WHEREAS, on March 14, 2020, the City Manager activated the City's Emergency Operations Center (EOC) at Level 3, the lowest level of activation; and,

WHEREAS, out of an abundance of caution to protect the health, safety, and welfare of the community, the Director of Emergency Services requested the City Council to proclaim a local emergency due to the public health threat caused by COVID-19.

WHEREAS, during the existence of the local emergency, and along with all State and County first response resources, all City first response resources, vehicles, and services shall be given first priority from shopkeepers and businesses located within the City, including, but not limited to, water, fuel and gasoline

NOW, THEREFORE, THE RANCHO PALOS VERDES CITY COUNCIL HEREBY RESOLVES, AS FOLLOWS:

**SECTION 1.** The conditions of extreme peril to the safety of persons and property have arisen within the City of Rancho Palos Verdes, caused by the effects of COVID-19.

**SECTION 2.** The aforementioned conditions of extreme peril warrant and necessitate the proclamation of the existence of a local emergency by the City, as the

means to resolve the conditions of extreme peril will probably exceed the capability of the City.

**SECTION 3.** The City Council does hereby declare and proclaim the existence of a local emergency.

**SECTION 4.** During the existence of such local emergency, the powers, functions, and duties of the City Manager as Director of Emergency Services and the Disaster Council of this City shall be those prescribed by State Law, Chapter 2.24 of the Rancho Palos Verdes Municipal Code, and ordinances and resolutions of this City, and approved plans of the City in order to mitigate the effects of the local emergency.

**SECTION 5.** In addition to the powers, functions, and duties already prescribed above, the Council desires to make clear the powers, functions, and duties include:

(a) As necessary for the public health, life, and property, entering into contracts to arrange for the procurement of materials, goods, and services needed to assist in preparing for, containing, responding to, mitigating the effects of, and recovering from the spread of COVID-19.

(b) Applicable provisions of the Government Code and the Public Contract Code, including but not limited to travel, advertising, and competitive bidding requirements, as well as any City procurement or related policy, are suspended to the extent reasonably necessary to address the effects of COVID-19.

(c) The Emergency Services Director is expressly authorized to assist with any lawful order, including the enforcement of an order of quarantine or curfew, as well as ordering potentially ill City employees to leave the workplace, authorizing certain City employees to work remotely, taking steps to limit non-essential contact by City employees, etc., to address the effects of COVID-19.

(d) The Emergency Services Director is expressly authorized at his or her discretion to invoke force majeure clause on any City agreements or obligations, to the extent reasonably necessary to address the effects of COVID-19.”

**SECTION 6.** The local emergency shall be deemed to continue to exist until its termination is proclaimed by the City Council.

**SECTION 7.** The Government Code § 8630 requirement that the Council review of the need for continuing the local emergency at least once every 60 days until the City Council terminates the local emergency has been waived for the duration of the statewide emergency declared by Governor Newsom. In the event this declaration of local emergency extends for more than the duration of the statewide emergency declared for COVID-19, City Staff are directed to thereafter return this item for Council review of the need for continuing the local emergency at least once every 60 days until the City Council terminates the local emergency.

