

COVID-19 Update From EKA – April 16, 2020

Because things are changing by the minute, the entire EKA team continues to monitor COVID-19 government issues. We will continue to use our COVID-19 updates to provide you with the most up-to-date and accurate information available. If you have any questions or if we can be of any assistance, please reach out to EKA, and we will be happy to assist you. Several people have asked if they can share our email updates with their friends and colleagues, and the answer is yes. If you would like to view previous EKA COVID-19 updates, click [here](#).

Face Covering Guidance for Children

Children under the age of 2 should NOT wear cloth face coverings. Those between the ages of 2-8 should use them under adult supervision to ensure that the child can breathe safely and to avoid choking or suffocation. Children with breathing problems should not wear a face covering. For more information, view the L.A. County Department of Public Health's [Guidance for Cloth Face Coverings](#).

LOS ANGELES COUNTY

Update - L.A. County Worker Protection Motion

In previous updates, we mentioned that the L.A. County Board of Supervisors meeting, a [Motion](#) was introduced with no discussion that called for studying the feasibility of implementing employee protections and consulting with external stakeholders and labor representatives. The Motion was received and filed at the last Board meeting without taking any board action or passing any Motions/Ordinances. Therefore, nothing will happen in the County at this time regarding the proposed Motion.

New Los Angeles County Paycheck Protection Program Application Portal

The County of Los Angeles in partnership with Goldman Sachs 10,000 Small Businesses initiative and Community Reinvestment Fund, USA (CRF) has created a new application portal for small businesses and nonprofits seeking to apply for the federal Paycheck Protection Program (PPP), a forgivable loan product created by the federal CARES Act. Business owners and nonprofits who access the application portal will initially submit an inquiry with CRF. Business owners and nonprofits should be prepared to [provide information](#) on their business or organization. After successfully submitting an inquiry, loan processors at CRF will follow up directly with business owners/nonprofits to obtain necessary documents and information to process the loan request. All eligible business owners and nonprofits who have been unable to apply for a PPP loan through a bank or other financial institutions are encouraged to submit an inquiry. To access the online portal, click [here](#).

Decline In Sales Tax Revenues

Los Angeles County's economic outlook has taken a hard hit from the COVID-19 crisis, with officials forecasting a \$1 billion decline in sales tax revenue this fiscal year ending on June 30, 2020. The sales tax decline is expected to surpass \$2 billion between now and the end of the next fiscal year on June 30, 2021. At the same time, Los Angeles County is incurring substantial

expenses in responding to the crisis and will be working closely with the state and federal government in the months ahead on issues of potential reimbursement. In anticipation of the economic challenges ahead, Chief Executive Officer Sachi Hamai has imposed hard freezes on hiring and purchasing and has directed County department heads to prepare for a range of potential program reductions in the coming fiscal year. The recommended budget for fiscal 2020-21—prepared in large part before the COVID-19 crisis was declared a global pandemic—will be presented to the Board of Supervisors on April 28. Extensive adjustments are expected in future budget phases to address revenue shortfalls and rising expenditures due to the crisis. In a media conference call hosted by the [National Association of Counties](#) yesterday, Los Angeles County leaders called on Congress to provide additional assistance, including enabling local municipalities to use federal relief funding to address lost revenues suffered due to COVID-19

Eviction Moratorium & Rent Freeze

The Los Angeles County Board of Supervisors issued an executive order which expands an existing temporary rent freeze and moratorium on evictions in parts of Los Angeles County in response to the coronavirus/COVID-19 health emergency. The new Order extends the temporary eviction moratorium to cover all residential and commercial tenants in Los Angeles County, except those who live or conduct business in cities that have already enacted their own eviction ordinances. The moratorium includes a ban on evictions for:

- Nonpayment of rent, if the tenant can show they have been financially impacted by the health emergency
- No-Fault reasons, such as owner/relative move-in or Ellis Act evictions
- Violations due to additional occupants, pets or nuisance related to COVID-19

The expanded temporary rent freeze now prohibits owners of Mobilehome parks in unincorporated areas of Los Angeles County from increasing the space rent for their tenants during the moratorium period. The action is retroactive from March 4 to May 31, 2020, unless extended. The Los Angeles County Department of Consumer and Business Affairs (DCBA), at the directive of the Board of Supervisors, has been tasked with educating renters and property owners of these new rules. A partial list of the Board's actions includes:

- Renters will have 12 months after the moratorium ends to pay any back rent (Previously six months)
- Landlords may not impose any new pass-throughs or charge interest or late fees for unpaid rent during the moratorium period
- Landlords may not attempt to collect interest and late fees incurred during the moratorium period after the Executive Order is terminated for renters covered by the Rent Stabilization Ordinance and the Mobilehome Rent Stabilization Ordinance
- Payment plans that allow landlords to accept partial payments from tenants during the moratorium are encouraged
- Tenants may provide self-certification of their inability to pay rent, and landlords must accept this as sufficient notice

- Landlords may not harass or intimidate tenants who choose to exercise their protections under this moratorium

For more details about the Board's recent actions and other landlord-tenant issues, click [here](#).

Foreclosure Prevention Services

The Los Angeles County Board of Supervisors, the Department of Consumer and Business Affairs (DCBA) have launched enhanced foreclosure prevention services for property owners and landlords with 15 or fewer units in Los Angeles County as part of the Los Angeles County Disaster Help Center. Free one-on-one counseling and support is available for property owners who have been adversely affected by the ongoing Coronavirus/COVID-19 emergency. Whether their loan is owned by the government, a national or state charter bank, or private institution, property owners facing COVID-19 hardships may be eligible for temporary relief. The County is helping property owners work with their lenders the following services:

- Forbearance plans to temporarily reduce or delay payments
- Repayment plans for missed payments
- Loan modifications to reduce payments, interest or extend the loan term
- Short sales to sell the home for less than owed

Some lenders may be limited in initiating foreclosures during the declared COVID-19 health emergency. For more information, click [here](#) to contact the L.A. County Disaster Help Center.

Benchmarks For Reopening

Barbara Ferrer, Director of the county Department of Public Health, discussed benchmarks that L.A. County will be using to determine when stay-at-home and business-closure orders might be lifted. Although those orders are likely to remain in place for weeks, the County noted that when they are lifted, it does not mean life will immediately return to normal. The County is warning people that things will be very different and that Physical distancing will still be a very important part of recovery and that there will be limits on how many people can be in a store at any given time. The County said that trails and hiking paths might be one-way only, and people may have their temperature taken at entrances to some facilities, while face-mask requirements may still be enforced at some public spaces. The Health Department said four areas that will be considered by County before relaxing stay-at-home and business-closure orders are:

- ensuring the County has adequate health care services available for the sick while also ensuring resources for preventive care such as immunizations and dental services, and also ensuring health care workers have needed personal protective equipment
- ensuring resources are available to adequately protect the most vulnerable populations from coronavirus, such as the elderly, people in nursing homes and people with underlying health conditions
- expanding the availability of coronavirus testing, and also providing space for people to safely quarantine or isolate from others, particularly if people under such orders are unable to do so in their own homes

- ensuring that when businesses are allowed to reopen as the Pandemic recedes, they have plans in place to continue maintaining social distancing to prevent a new spike in cases.

On a related note, Mayor Garcetti said yesterday that he doesn't foresee large gatherings, such as sporting events and concerts, happening in the City until 2021.

CITY OF LOS ANGELES

Lawsuit Over Stay-at-Home Order

Criminal defense attorney Mark Geragos is suing Mayor Eric Garcetti for his stay-at-home Order alleging the directive has caused a substantial drop in his law firm's business and income. Five separate lawsuits have been filed in Los Angeles County Superior Court over the Mayor's Executive Order. Geragos is suing on behalf of his own business and several clients—naming both Garcetti and Traveler's Insurance as co-defendants in the lawsuits. He is also suing in his capacity as a landlord, alleging that he's been forced to deal with unpaid rent and other related issues stemming from its tenants' cessation of use with respect to the insured premises. To read the Geragos complaint, click [here](#). To read the Traveler's complaint, click [here](#).

Los Angeles Controller Predicts \$231M Decline in Revenues

Los Angeles Controller Ron Galperin said that his office estimates the City will fall about \$231 million short in projected revenue this year and as much as \$598 million next fiscal year due to the effects of the coronavirus Pandemic. Deliberations will begin after Mayor Garcetti releases his 2021 budget proposal next week. The City is now estimated to receive \$6.38 billion in revenue this year, a \$231 million decrease from the previous March 1 estimate of \$6.61 billion. The Controller said even with this revision, Los Angeles is not facing a cash-flow crisis and is still projected to see 2.3% growth over last year. Los Angeles will likely receive state and federal funds due to the coronavirus pandemic. As for the next fiscal year, the revenue decline is estimated to be between \$194 million and \$598 million, depending on the length of the current stay-at-home orders and how long it takes for the economy to recover from the crisis. The Controller said the forecasts are still behind as tax revenue is collected for April, and businesses both large and small have since closed their doors in an attempt to slow the spread of COVID-19. For the next fiscal year, business tax revenue could drop by as much as \$85 million next year and sales tax could take a \$67 million hit. Expenses will eclipse revenue growth this year due to the increased cost of employee salaries and benefits, with additional short-term expenses for the City's response to COVID-19, according to Galperin. To read the full press release and see the detailed revised revenue forecast, click [here](#).

Homeless R.V. Parking Site On Hold

A deal for a state-owned lot in downtown Los Angeles to be used as a parking area for recreational vehicles, vans and cars lived in by homeless persons was put on hold for environmental concerns. The proposed settlement between the City of Los Angeles and the L.A. Alliance, a coalition of Skid Row-area business owners, formerly homeless and disabled city dwellers is on hold. Apparently, the Federal Judge learned that the proposed agreement was subject to environmental concerns. As previously detailed in our updates, a lawsuit by the L.A.

Alliance alleges the City of Los Angeles and County are not doing enough to find solutions to the problem people living in tents, cars and on the streets throughout the downtown area

Information for Contractors and Businesses

Over the past few weeks, the City has been providing updates on the COVID-19 Pandemic. To access the most current City of Los Angeles information, click [here](#), or visit the updated Corona Virus City of L.A. Resource Page by clicking [here](#). The City also put together a resource page of City resources that may be useful. Click on this [link](#) to view the City of LA COVID-19 Resources and Information for Contractors and Businesses page.

Councilman Calls on State to Give Undocumented People Relief

Councilman David Ryu sent a letter to Gov. Gavin Newsom urging him and the state Legislature to provide funding for California's undocumented immigrants affected by the coronavirus Pandemic. As detailed in previous updates, the Governor announced he was considering aid for undocumented immigrants amid the coronavirus pandemic and would work with state leaders on an economic relief plan to support them. To read the Councilmember's letter, click [here](#). On a related note, Governor Newsom said that \$125 million in state relief money will be used to provide financial assistance to undocumented immigrants which will be made up of \$75 million in state funding and another \$50 million donated by various organizations. The fund will benefit undocumented immigrants who are ineligible for unemployment benefits and will not receive federal stimulus checks from the IRS.

LONG BEACH

Long Beach issued a new health order yesterday that requires long-term care facilities to institute a range of protocols to slow the spread of COVID-19, including a tightening of visitation policies, mandating face coverings, and requiring daily temperature screenings for staff and residents. The Order applies to facilities serving individuals 65 years and older or those with underlying health conditions. The new Order, effective immediately, requires that long-term care facilities require the following:

- **Limited entry** - Only employees, first responders, medical professionals or contracted essential maintenance workers are allowed. All visitors are prohibited. End of life visits are allowed with limitations. Virtual visits are allowed.
- **Face coverings** - All staff must wear surgical masks at all times in the facility. When outside their room, residents must wear a surgical mask (when available) or a cloth face covering. Surgical masks are required for all patients with symptoms.
- **Temperature screenings** - Daily temperature checks are required for all staff and residents. Anyone entering the facility must undergo a temperature screening and self-evaluation for COVID-19 symptoms; individuals with symptoms will not be allowed to enter the facility.

To read the full Order, click [here](#)

Economic Relief Package

The Long Beach City Council unanimously adopted 25 individual actions as part of an [Economic Relief Package](#) designed to those impacted by COVID-19 Pandemic. To review the 168-page document, click [here](#).

SACRAMENTO

Expanded EDD Call Center Hours

The Governor signed an executive order to extend the hours of the Employment Development Department's call center to meet overwhelming demand. The new hours, which begin next Monday, will be from 8 a.m. to 8 p.m. seven days a week. Currently, the call center is only operational from 8 a.m. to noon, Monday through Friday. More than 1,300 California state workers are changing jobs to help process millions of unemployment insurance claims. The Governor said about 740 workers within the Employment Development Department have switched over to processing the requests, and that another 600 workers are being trained to pitch in. He said 2.7 million people have filed unemployment insurance claims as businesses remain closed due to the coronavirus.

The Governor also directed EDD to expedite access to the [Work Share Program](#) to avert layoffs. The EDD will also stand up a one-stop-shop for individuals applying for unemployment insurance and the new federal Pandemic Unemployment Assistance (PUA) program starting Tuesday, April 28. The PUA will provide federally funded benefits distinct from the Unemployment Insurance Program for certain individuals out of work or partially unemployed due to COVID-19. This includes the self-employed and independent contractors. A copy of the Governor's Executive Order can be found [here](#), and the text can be found [here](#).

DMV Extends Driver Licenses

The DMV is extending driver licenses expiring during the COVID-19 Pandemic. Licenses for drivers younger than 70 that expire between March and May 2020 are now valid through May 31, 2020. All commercial driver licenses, endorsements and certificates expiring between March and June 2020 are now valid through June 30, 2020, aligning with a recent emergency declaration from the Federal Motor Carrier Safety Administration. The extension does not include medical certificates for commercial drivers, which requires additional administrative actions scheduled in the near future. For more details, click [here](#).

Senate Special Committee to Focus on California's Pandemic

Senate pro-Tempore Toni Atkins created a special committee on California's COVID-19 emergency response. The Special Committee on Pandemic Emergency Response, a bipartisan committee of eleven senators, is tasked with reviewing the state's response to the COVID-19 health crisis – what has gone right and what could be improved. The committee also will make findings and recommendations for future preparedness if the coronavirus returns later in the year, or if the state faces a subsequent pandemic. As previously noted, last week, Senate Leader Atkins created a new [Senate subcommittee on the state's COVID-19 response](#), focused on expenditures and funding related to the Pandemic. The Senate Special Budget

Subcommittee on COVID-19 Response is set to hold its first hearing today at 2 p.m. To view the hearing, click [here](#).

Executive Order on Juvenile Justice Discharge and Reentry Process

The Executive Order calls for all discharge and reentry hearings to be held via videoconference to minimize the youth's and other participants' exposure to COVID-19. Additionally, notification given to county probation departments, the court in the County of commitment, and the youth's legal counsel will be shortened from 60 days to 30 days before holding a discharge consideration hearing. The discharge hearing is conducted by the Board of Juvenile Hearings. Read the full Order [here](#). As previously detailed, on March 24, Governor Newsom signed an [executive order](#) temporarily halting the intake of youth offenders into DJJ in response to COVID-19 efforts. A copy of the Governor's Executive Order can be found [here](#), and text can be found [here](#).

NATIONAL

President Opening the Country' Council

President Trump recited a list of dozens of prominent business and labor leaders who he said would be advising him in deciding when and how to reopen the country's economy, even as governors made it clear they will make those decisions themselves. To read the list of participants, click [here](#).

SBA Disaster Loan Assistance Application Update

Several EKA clients have asked for guidance on how to apply for the Economic Injury Disaster Loan (EIDL) loan. The SBA created a helpful document, but we must warn you, brevity is not a strong suit of those who write government regulations. To view the 42-page report, click [here](#).

IRS Get My Payment' Portal

The IRS has [launched a new tool](#) to allow those expecting stimulus checks to track the status of their payment. The website enables eligible people a chance to provide their bank account information so they can receive their payment more quickly rather than waiting for a paper check. The IRS website states that this option will be unavailable if a paper check has already been scheduled. To check on a stimulus payment, click [here](#).

WHAT WE'RE READING

Bill Gates slams Trump WHO decision

Bill Gates has criticized President Donald Trump's decision to cut U.S. funding for the World Health Organization. Trump said he would stop the \$400 million to \$500 million of U.S. funding for the body, pending an investigation into what he saw as its aiding China in "covering up" the novel coronavirus. The Microsoft co-founder said that during the coronavirus pandemic, "the world needs WHO now more than ever." To read more, click [here](#).

Some Might Be Tricked Into Paying TurboTax to Get Stimulus Checks

Congress has approved billions of dollars of checks for Americans hard hit by the biggest round of layoffs in U.S. history. But millions of Americans will have to wait months for that money — and millions more may never get the money at all. To read the full story, click [here](#).

Sex Trade On Los Angeles Streets

As business goes on, sex workers face grim options: Work the streets or starve. Some of the customers who continue to solicit services amid the coronavirus pandemic have taken advantage of the situation, demanding they pay less money and seeking riskier services, according to worker advocates. To read the full story, click [here](#).

Apple and Google's COVID-19 Tracing

Apple and Google are working together to stop the spread of COVID-19 that uses signals from people's phones to warn them if they've been in contact with someone who's tested positive for the disease. According to the reports we have read, the joint project takes advantage of Apple's iOS and Google's Android. The tools will use Bluetooth radio technology to support apps that will be developed by public health authorities. Google and Apple will initially begin releasing updates in May. For those who use iPhones, Apple issued a [press release](#) this week regarding its mobility data trends tool.

Note: *This update has been prepared for informational purposes and is compiled from publicly available sources and is not intended to be legal or tax advice. All hyperlinks below are live and will bring you to the information mentioned.*

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