

ORDINANCE NUMBER O-\_\_\_\_\_ (NEW SERIES)

DATE OF FINAL PASSAGE \_\_\_\_\_

AN EMERGENCY ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO PURSUANT TO CHARTER SECTION 295 ENACTING A TEMPORARY DEFERRAL OF FEES AND THE EXTENSION OF PERMIT RENEWALS FOR POLICE-REGULATED OCCUPATIONS AND BUSINESSES, DUE TO THE STATE OF EMERGENCY RESULTING FROM THE NOVEL CORONAVIRUS, COVID-19.

WHEREAS, COVID-19 causes infectious disease and was first detected in December 2019; and

WHEREAS, COVID-19 symptoms include fever, cough, and shortness of breath, and those who have been afflicted have experienced anything from mild illness to death; and

WHEREAS, the Centers for Disease Control and Prevention considers COVID-19 to be a very serious public health threat and the World Health Organization declared the COVID-19 outbreak to be a pandemic; and

WHEREAS, on February 19, 2020, the County Board of Supervisors ratified a declaration of local health emergency related to COVID-19; and

WHEREAS, on March 4, 2020, Governor Gavin Newsom proclaimed a State of Emergency in California as a result of the threat of COVID-19; and

WHEREAS, on March 12, 2020, the Mayor of the City of San Diego (Mayor) proclaimed the existence of a local emergency in the City of San Diego (City) as a result of COVID-19, which was ratified by the Council of the City of San Diego (Council) on March 17, 2020, by Resolution No. R-312895; and

WHEREAS, on March 19, 2020, Governor Newsom issued Executive Order N-33-20 ordering all individuals living in the State of California to stay home or at their place of residence, except to obtain essential services; and

WHEREAS, on March 30, 2020, the Mayor issued Executive Order 2020-2, which directed the Office of the City Treasurer to defer all fees associated with Business Tax Certificates, and any business-related fees, permits, and assessments, for up to 120 days; and

WHEREAS, on April 30, 2020, the Council passed Emergency Ordinance O-2020-101, which deferred all fees and assessments associated with police-regulated occupations and businesses for up to 120 days from the payment due date and automatically extended all police permits for 120 days from their expiration date. The ordinance expired on June 30, 2020; and

WHEREAS, in July of 2020, San Diego County was placed on the State's County Monitoring List and the Governor ordered the closure of indoor activities for restaurants, bars, fitness centers, places of worship, indoor protests, offices for non-essential sectors, personal care services, hair salons, barbershops, and indoor malls; and

WHEREAS, on August 28, 2020, Governor Gavin Newsom announced the Blueprint for a Safer Economy, which permitted the gradual reopening of certain businesses and activities; and

WHEREAS, on November 21, 2020, the State Public Health Officer issued a Limited Stay at Home Order that directed residents in counties in the Widespread (Purple) Tier, including San Diego County, to stop non-essential activities between 10:00 p.m. and 5:00 a.m.; and

WHEREAS, in December of 2020, the Governor of California announced a Regional Stay Home Order which San Diego County was under until January 25, 2021, when the stay at home order was lifted; and

WHEREAS, the Governor, the San Diego County Public Health Officer, former Mayor Kevin L. Faulconer, and current Mayor Todd Gloria have issued a variety of orders and directives to respond to the emergency, including closing or significantly curtailing certain business operations, prohibiting gatherings of 10 people or more, and cancelling conferences, sporting events, and other large group activities; and

WHEREAS, business closures and reduced business hours, in addition to public health orders to limit public gatherings and require social distance, continue to financially impact local businesses, and are causing financial instability for business owners and employees; and

WHEREAS, COVID-19 continues to cause serious negative impacts on the local economy and serious financial impacts to local residents and businesses, including substantial loss of income due to the loss of compensable work hours or wages, layoffs, and business closures; and

WHEREAS, loss of income as a result of COVID-19 may prevent City residents and businesses from fulfilling their financial obligations; and

WHEREAS, many police-regulated businesses have been unable to operate for the last year due to Public Health Order restrictions, but have continued to pay the permitting fees; and

WHEREAS, in the interest of protecting the public health and preventing transmission of COVID-19, and to encourage people to stay home and non-essential business to cease operations, it is essential to provide financial relief so people can monetarily support themselves and avoid unnecessary hardship during the emergency, including the closure of businesses and employee layoffs; and

WHEREAS, under San Diego Municipal Code (Municipal Code) Chapter 3, Article 3, Division 3, the City collects annual fees associated with the inspection, regulation, and enforcement of laws governing police-regulated occupations and businesses; and

WHEREAS, prior to the pandemic, the City had approximately 2,900 individuals and businesses that require police permits; and

WHEREAS, despite the financial hardship caused by the pandemic, approximately 1,700 police-regulated occupations and businesses continued to pay their fees and renewed their permits; and

WHEREAS, police-regulated occupation and business permits are valid for one year upon payment of an annual regulatory fee; and

WHEREAS, failure to renew a permit results in penalty fees and assessments; and

WHEREAS, under the Municipal Code, permits automatically expire and the occupation or business allowed by the permit must cease if the fees are not paid in the following calendar month; and

WHEREAS, this ordinance temporarily defers the payment of fees related to police-regulated occupations and businesses for those businesses who have renewed their permits during the pandemic; and

WHEREAS, this ordinance automatically extends permits up to three months from their expiration date; and

WHEREAS, after three months, this ordinance reduces permit fees for police-regulated occupations and businesses that are renewed between March 31, 2021, and February 28, 2022, by 25 percent; and

WHEREAS, the Council finds that adopting this emergency ordinance is necessary and appropriate to address the threats to the public health, safety, and welfare of its citizens related to the significant economic impacts of the COVID-19 pandemic, to protect residents and businesses from undue financial burden and hardship, and to prevent avoidable business closures and employee lay-offs; and

WHEREAS, San Diego Charter, Article III, section 11 vests all legislative authority for the City in the Council; and

WHEREAS, California Government Code section 8634 allows the Council, as the governing body, to make orders and regulations necessary to provide for the protection of life and property; and

WHEREAS, the Council finds that there is an emergency necessitating immediate adoption of this ordinance pursuant to San Diego Charter section 295; and

WHEREAS, under San Diego Charter section 280(a)(3), this Ordinance is not subject to veto by the Mayor because it is an emergency ordinance; and

WHEREAS, under San Diego Charter section 295(e), a supermajority vote of the Council is required for passage of this ordinance; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That beginning April 1, 2021, all fees and assessments associated with the renewal of police-regulated occupations and business permits that expire between March 31, 2021, and February 28, 2022, are deferred up to three months from the payment due date.

Section 2. That beginning April 1, 2021, all permits for police-regulated occupations and businesses that expire between March 31, 2021, and February 28, 2022, are automatically extended three months from their expiration date.

Section 3. That beginning April 1, 2021, all police-regulated occupation and business permits that are renewed between March 31, 2021, and February 28, 2022, will have the regulatory fees specified in the Rate Book of City Fees and Charges reduced by 25 percent.

Section 4. That the adoption of this ordinance shall not limit or prohibit the Chief of Police's ability to take regulatory action against permittees as authorized in the Municipal Code.

Section 5. That as used in this ordinance, "permits," and "permittees," have the same definitions as in Municipal Code section 33.0201.

Section 6. That as used in this ordinance, "police-regulated" means all occupations and businesses listed in Chapter 3, Article 3 of the Municipal Code.

Section 7. That this ordinance does not include fees and penalties associated with burglary and panic alarm systems and permits regulated under Article 3, Chapter 3, Division 37.

Section 8. That this ordinance shall expire on March 1, 2022, unless extended by Council action.

Section 9. That this ordinance is intended to supplement, not to duplicate or contradict, applicable state and federal law and shall be construed in light of that intent.

Section 10. That the provisions of Article 1, Division 2 of the Municipal Code, including those relating to construction and interpretation, shall apply to this ordinance.

Section 11. That a full reading of this ordinance is dispensed with prior to passage, a written copy having been made available to the Council and the public prior to the day of its passage.

Section 12. That this ordinance is declared to be an emergency measure required for the immediate preservation of the public peace, safety, health, and welfare pursuant to San Diego

Charter 295 and shall take effect immediately from the day of adoption by the affirmative vote of at least six members of the City Council.

APPROVED: MARA W. ELLIOTT, City Attorney

By \_\_\_\_\_  
Paige E. Folkman  
Chief Deputy City Attorney

PEF:hm  
Dept: Council District 3