

## Communication from Public

**Name:** California Business Roundtable

**Date Submitted:** 05/11/2020 03:17 PM

**Council File No:** 20-0472

**Comments for Public Posting:** On behalf of the California Business Roundtable, I'd like to submit the attached letter of opposition for the record regarding the proposed self-storage ordinance. Thank you for your consideration and continued service during this public health and economic crisis.



May 11, 2020

The Honorable Nury Martinez  
President, Los Angeles City Council  
200 N Spring Street  
Los Angeles, CA 90012

**RE: Opposition to City Council Motion (Ryu) - Proposed Self Storage Ordinance**

Dear Council President Martinez:

On behalf of the CEO Members of the California Business Roundtable, who lead companies with more than 500,000 California employees (a majority of them in Los Angeles), I write to express our opposition to the April 22, 2020 motion authored by Councilman David Ryu directing the City Attorney to draft an ordinance which would prohibit “the sale, disposal, donation, or confiscation of personal belongings in rented storage units, if an individual’s storage lease goes into default resulting from the effects of the Coronavirus emergency.” We believe this motion violates existing California law and exceeds the City’s legal authority.

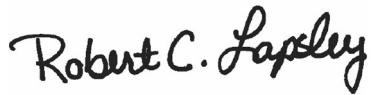
We are acutely aware and understand the unprecedented financial difficulties caused to families by the Coronavirus pandemic. Many business owners too are suffering as a result of COVID-19. You should know that many self-storage facilities have responded to the financial hardships caused by the pandemic by accepting partial payments, developing payment plans, waiving late fees, and suspending lien sales.

Governor Newsom’s Executive Order (N-28-20), which he issued in response to the pandemic, allows local governments to restrict certain residential and commercial evictions, but the Order does not apply to self-storage operators who use an entirely different legal process to remove nonpaying customers.

The self-storage industry is a highly regulated industry. State law is clear and specific with regard to common enforceable practices. When customers fail to pay rent, self-storage owners have used the lien sale process as a last resort, which is codified by the California Self-Service Storage Facility Act. Neither the Governor’s Executive Order nor existing California law permit a local government to suspend this act. If passed, this ordinance would impose costly mandates for self-storage facilities during a time of unprecedented economic crisis and ultimately harm the Los Angeles small businesses you seek to protect.

As with everything in this crisis, the business community is simply asking for balance over the next two to six months. This is not a time to burden struggling businesses with additional regulation. The California business community is doing all it can to survive the current public health and economic crisis. We strongly urge you joining us in opposing this harmful and senseless action. Thank you for your consideration and continued leadership,

Sincerely,

A handwritten signature in black ink that reads "Robert C. Lapsley". The script is fluid and cursive, with the first letters of each word being capitalized and prominent.

Robert C. Lapsley  
President  
California Business Roundtable