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11	FOR THE CENTRAI	L DISTRICT OF CALIFORNIA		
12	RIVER	SIDE DIVISION		
13		Case No. 5:20-cv-01138		
14	PCG-SP VENTURE I, LLC,			
15	Plaintiff,	DEFENDANTS NEWSOM, ANGELL, AND BECERRA'S OPPOSITION TO PLAINTIFF'S EX PARTE		
16	v.	APPLICATION FOR A TEMPORARY RESTRAINING ORDER		
17		Judge: Honorable Jesus Bernal		
18	GAVIN NEWSOM, et al.,	Trial Date: Not Set Action Filed: June 2, 2020		
19	Defendants.			
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INTRODUCTION

2 The State of California, like the rest of the world, is combating a public health 3 emergency of a magnitude unseen for at least a century. COVID-19, the novel 4 virus spreading throughout the country, is a virulently infectious and deadly disease 5 that has infected more than 1.7 million Americans and killed more than 101,000. 6 The virus has a long incubation period and may be spread unknowingly by 7 individuals with no symptoms who appear healthy. Because the virus is new, there 8 is no vaccine or widely effective treatment for it. Consequently, the primary means 9 to slow the spread of COVID-19 and prevent it from overwhelming our health care 10 system is through physical distancing. Accordingly, California Governor Gavin 11 Newsom proclaimed a state of emergency, and the State Health Officer issued 12 various public health orders to slow the virus's spread and preserve the health and 13 safety of all Californians.

14 The emergency public health measures imposed to combat COVID-19 have 15 required sacrifices, but California has gradually lifted restrictions as state and local 16 public health officials have carefully monitored the effect of reopening on the 17 virus's transmission, mortality rates, and hospitals' capacity to handle COVID-19 18 cases. As part of the State's staged reopening plan, state and local public health 19 officers first allowed lower-risk businesses and activities to reopen with 20 modifications to protect customers and employees. As of this past Friday, hotels 21 and lodging—along with a number of higher-risk businesses and activities that had 22 not yet been permitted to reopen—are authorized to reopen, consistent with public 23 health guidelines.

Plaintiff PCG-SP Venture I, which operates the V Palm Springs hotel in
Riverside County, moved for a temporary restraining order (TRO) to reopen the
hotel. As a threshold matter, this Court should deny the TRO because, after
Plaintiff filed the TRO, the State issued guidance authorizing hotels to reopen. This
development forecloses a TRO or other injunctive relief.

1 Plaintiff's claims also fail on the merits. In seeking emergency injunctive 2 relief, the plaintiff always bears a heavy burden. That burden is even heavier 3 where, as here, the party seeks an injunction against bona fide public-health 4 measures adopted in response to an emergency. Plaintiff's claims fail under the 5 framework announced in Jacobson v. Commonwealth of Massachusetts, 197 U.S. 6 11 (1905), that applies in a public health crisis like the one California faces now. 7 Indeed, the claims are deficient as a matter of law even under traditional 8 constitutional analysis. And in the unlikely event that it were necessary to analyze 9 any claim under strict scrutiny, the State's public health measures would survive 10 that scrutiny because the State's response is carefully tailored to address the 11 extreme threat posed by COVID-19.

Finally, given the careful way in which California is navigating the extreme threat posed by COVID-19, the public interest and balance of the equities weigh heavily against a TRO. While the economic sacrifices that Plaintiff, like so many other Californians, has been asked to make are significant, they are outweighed by the magnitude and severity of the risk to all Californians, and particularly those who are most vulnerable.

For these reasons, this Court should deny Plaintiff's application for a TRO.

BACKGROUND

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I. THE COVID-19 PANDEMIC AND CALIFORNIA'S SWIFT RESPONSE

COVID-19 is a highly contagious and deadly disease, which can be readily
transmitted when people gather outside the home. *See* Decl. Dr. James Watt (Watt
Decl.) at ¶¶ 9–11. COVID-19 has infected more than 6.9 million people and caused
the deaths of more than 400,000 people worldwide.¹ In the United States alone,
COVID-19 has infected more than 1.9 million people and caused the deaths of

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¹ See World Health Org., Coronavirus Disease (COVID-19) Pandemic, *available at*: https://www.who.int/emergencies/diseases/novel-coronavirus-2019 (last accessed June 8, 2020).

more than 110,000 people.² California recognized early that COVID-19 had the 1 2 potential to spread rapidly throughout the state. See Reg. Jud. Not. Supp. Defs.' 3 Opp'n to Pl's TRO (RJN) Exs. 1, 2. California's decisive action has slowed the 4 rate of new infections, and the State is now moving through a staged process of 5 reopening businesses and activities, informed by public health experts based on 6 relative risks of transmission involved and the capacity of state and local health 7 systems to respond to any new outbreaks. RJN Exs. 3–11.

8

The Governor's State-of-Emergency Proclamation A.

9 On March 4, 2020, the Governor proclaimed a State of Emergency in 10 California to prepare for and respond to cases of COVID-19 and implement 11 measures to prevent the spread of COVID-19. See RJN Ex. 1 at 2. On March 19, 2020. the Governor issued Executive Order N-33-20. RJN Ex. 2. This Order 12 13 directed all California residents to heed the directives of the State's Public Health 14 Officer relating to COVID-19, and incorporated an order from the State Public 15 Health Officer requiring "all individuals living in the State of California to stay 16 home ... except as needed to maintain continuity of operations of [specified] 17 federal critical infrastructure sectors." Id. at 1. It also addressed circumstances in which individuals who are not designated "Essential Critical Infrastructure 18 19 Workers" may leave their houses, such as for "access[ing] such necessities as food, 20 prescriptions, and health care." Id. at 2. In the months since Executive Order N-33-20 was issued, the Governor and the State Public Health Officer have issued 21 22 new or updated directives to meet the changing circumstances of this crisis.³

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² See Cases in U.S., available at: https://www.cdc.gov/coronavirus/2019-ncov/cases-updates/cases-in-us.html (last accessed June 8, 2020). ³ See, e.g., Stay Home Q&A (last updated June 8, 2020 at 4:02 p.m.), available at: https://covid19.ca.gov/stay-home-except-for-essential-needs/ (last accessed June 9, 2020) ("Can the Order be changed? Yes. The State Public Health Officer may issue new orders as the public health situation changes.") 26

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B. The Governor's Roadmap to Reopen California

2 On April 28, 2020, the Governor announced a four-stage "Resilience" 3 Roadmap" to guide the gradual and safe reopening of the State. See RJN Ex. 3 at 1. 4 The Roadmap's four stages are: safety and preparation (Stage 1); reopening of 5 lower-risk workplaces and other spaces (Stage 2); reopening of higher-risk 6 workplaces and other spaces (Stage 3); and, finally, an end to the emergency orders 7 (Stage 4). *Id.*; see also RJN Exs. 4, 5. To implement the Roadmap, the Governor 8 issued Executive Order N-60-20, requiring that Californians continue to comply 9 with the State's earlier orders, and directing the State Public Health Officer to 10 establish criteria and procedures for local jurisdictions to move more quickly through Stage 2. Id., Ex. 6 at 2. 11

On May 7, 2020, the State Public Health Officer ordered the State to move into Stage 2 based on her review of the data, stating that she would "progressively designate sectors, businesses, establishments, or activities that may reopen with certain modifications, based on public health and safety needs" and at "a pace designed to protect public health and safety." RJN Ex. 7 at 2. Where sectors are reopened, Californians must "continue at all times to practice physical distancing, minimize their time outside of the home, and wash their hands frequently." *Id*.

19 Currently, in Stage 2, "retail, related logistics and manufacturing, office 20 workplaces, limited personal services, outdoor museums, child care, and essential businesses can open with modifications." RJN Ex. 8 at 1. To date, fifty-one 21 22 counties (including Riverside County) have attested to their readiness to move 23 further ahead through the Resilience Roadmap than is generally permitted 24 statewide—which allowed those counties to determine which additional lower-risk 25 businesses and spaces may reopen, and when they may do so, consistent with public-health guidelines.⁴ 26

 ⁴ Cal. Dep't of Public Health, County Variance Info, available at: https://covid19.ca.gov/roadmap-counties/#top (last visited June 9, 2020); Cal. Dep't 1 On June 5, 2020, the California Department of Public Health (CDPH) issued 2 guidance allowing for the reopening of hotels, lodging, and short-term rentals.⁵ See 3 RJN Ex. 10. The guidance includes a recommended effective date of June 12, 4 2020, although local public health departments may permit businesses to open 5 sooner. Id., Exs. 10–11. Therefore, under the state public health orders, the hotel 6 that Plaintiff operates is currently permitted to reopen if the county deems it 7 appropriate, based upon the epidemiology and readiness of the county. Id., Ex. 10 at 3. 8

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C. **California's Staged Reopening Was Designed to Prevent a Resurgence in COVID-19 Infections.**

Even though the State's orders have succeeded in "flattening the curve"⁶ and 11 12 permitted the State to begin reopening, the virus still poses a grave threat, and 13 reopening must be managed carefully to avoid a resurgence of infections and death. 14 See Watt Decl. at ¶¶ 11–24. Although the curve has flattened with respect to new 15 cases and deaths, the crisis is not over, with a spike seen as recently as June 8, 16 2020.⁷ Average deaths in June remain above 55 per day. *Id.* These numbers, of 17 course, reflect infections and deaths with the current health orders and limitations in 18 place. Id. 19 The staged reopening plan was designed to balance the reopening of the 20 California economy while maintaining epidemiologic stability and mitigating risk 21 of Public Health, COVID-19 County Variance Attestation Form, available at: 22 https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/County_Variance_Attestation_Form.aspx (last visited June 8, 2020). This guidance was released along with guidance for other higher-risk 23

- businesses and activities that had not previously been permitted to reopen under the 24 Resilience Roadmap. See generally RJN Ex. 10, available at https://www.cdph.ca.gov/Programs/OPA/Pages/NR20-113.aspx (last accessed June
- 25
- 8, 2020). "Flattening the curve" is a shorthand reference to using measures (e.g., 26 individual measures, like washing hands or wearing a mask, or governmental measures, like the State's orders) to keep the number of disease cases at a manageable level for the relevant health care system. 27
- See COVID-19 Statewide Update: Update for June 9, 2020, available at: 28 https://update.covid19.ca.gov (last accessed June 9, 2020).

1 to vulnerable populations. See Watt Decl. at ¶¶ 16, 24. It is constantly being monitored and updated by the California Department of Public Health. See RJN 2 3 Exs. 4–10. Without such a careful and measured approach to reopening, the risk of 4 a resurgence is significant; and with such a resurgence comes the likelihood of 5 significant increases in new cases and deaths, and the potential to overwhelm our 6 health system that California has thus far been able largely to avoid. See Watt Decl. 7 at ¶ 16. Also, the risk of a spike in COVID-19 infections increases as travel 8 increases throughout California, which is one of the reasons that public health 9 officials identified businesses such as hotels, which facilitate leisure travel, for the 10 later stages of reopening. *Id.* at \P 23.

11

II. THE PRESENT LAWSUIT

12 Plaintiff filed suit on June 2, 2020. Compl., ECF No. 1. The complaint 13 alleges that Plaintiff is a California company that operates the V Palm Springs 14 Hotel in Riverside County. *Id.* at ¶ 17. Plaintiff claims that directives from the 15 State and from Riverside County required the hotel to close. *Id.* at ¶¶ 22–33. As a 16 result, Plaintiff allegedly faces "numerous difficulties with respect to its financial 17 obligations" and an "existential threat to its collective survival and business 18 operations." Id. at \P 32. Plaintiff asserts eight causes of action under: (1) the 19 Dormant Commerce Clause of the U.S. Constitution; (2) the Fourteenth 20 Amendment to the U.S. Constitution (due process); (3) the Fourteenth Amendment 21 to the U.S. Constitution (equal protection); (4) the Fifth Amendment to the U.S. 22 Constitution (takings); (5) Article I, section 1, of the California Constitution (right 23 to liberty); (6) Article I, section 7, of the California Constitution (due process); (7) 24 Article I, section 19, of the California Constitution (takings); and (8) California 25 Government Code section 8572 (commandeering private property or personnel). Compl. at ¶¶ 5–41. 26

On June 4, 2020, Plaintiff filed an application for a TRO to "set aside and hold
unlawful" the State's public-health orders, enjoin their enforcement, and award

1 damages. TRO App., ECF No. 8 at 35–36. In the application for a TRO, Plaintiff 2 only addresses alleged violations of the Due Process Clause, the Equal Protection Clause, the Takings Clause, and the asserted state-law claims. Id. at 13–24.⁸ 3 4 LEGAL STANDARD 5 TROs are emergency measures intended to preserve the status quo pending a 6 full hearing on the injunctive relief requested. Fed. R. Civ. Proc. 65(b)(1); see Reno 7 Air Racing Ass'n, Inc. v. McCord, 452 F.3d 1126, 1131 (9th Cir. 2006). Such relief 8 is an "extraordinary and drastic remedy," Munaf v. Geren, 553 U.S. 674, 690 9 (2008), hinging on "a significant threat of irreparable injury that must be imminent 10 in nature." Givens v. Newsom, No. 2:20-cv-00852-JAM-CKD, 2020 WL 2307224, 11 at *3 (E.D. Cal. May 8, 2020) appeal docketed, No. 20-15949 (9th Cir. May 19, 12 2020) (internal citations omitted). 13 Plaintiffs seeking temporary injunctive relief must demonstrate that (1) they 14 are likely to succeed on the merits, (2) they are likely to suffer irreparable harm in 15 the absence of preliminary relief, (3) the balance of equities tips in their favor, and 16 (4) an injunction is in the public interest. Am. Trucking Ass'ns, Inc. v. City of Los 17 Angeles, 559 F.3d 1046, 1052 (9th Cir. 2009) (quoting Winter v. Natural Res. Def. *Council*, 555 U.S. 7 (2008)). Alternatively, Plaintiff must show that there are 18 19 ⁸ Plaintiff does not address the claim under the Dormant Commerce Clause in the TRO application and has therefore waived any argument regarding that 20 claim. See generally TRO App.; see In re Lowenschuss, 67 F.3d 1394, 1402 (9th Cir. 1995) ("An issue not discussed in a brief... is deemed to be waived."). Regardless, that claim would fail on the merits. Plaintiff, an in-state entity, lacks 21 prudential standing because the injury alleged (the closure of a California hotel) is not "marginally related to the purposes underlying" the Dormant Commerce Clause. *City of Los Angeles v. Cty. of Kern*, 581 F.3d 841, 847 (9th Cir. 2009); *see Coal. for Competitive Elec., Dynegy Inc. v. Zibelman*, 272 F. Supp. 3d 554, 582 (S.D.N.Y. 2017), aff'd sub nom. Coal. for Competitive Elec., Dynergy Inc. v. 22 23 24 *Zibelman*, 906 F.3d 41 (2d Cir. 2018). The State's orders are nondiscriminatory because they apply equally to potential guests of the hotel who are from California and from out-of-state. See Pharm. Research & Mfrs. of Am. v. Cty. of Alameda, 768 F.3d 1037, 1041 (9th Cir. 2014) (a "statute that treats all private companies 25 26 exactly the same does not discriminate against interstate commerce"). Finally, even assuming an unequal burden, the orders are constitutional because they serve a "legitimate local public interest" and the burdens do not clearly exceed the local 27 benefits. Pike v. Bruce Church, Inc., 397 U.S. 137, 142 (1970); see Background, 28 I.A. I.C. supra.

"serious questions going to the merits" *and* a "balance of hardships that tips *sharply* towards the plaintiff," in addition to irreparable harm. *Alliance for Wild Rockies v. Cottrell*, 632 F.3d 1127, 1135 (9th Cir. 2011) (emphasis added).

4

ARGUMENT

5 Plaintiff is not entitled to injunctive relief. First, the requested TRO, which 6 seeks to enjoin a prohibition Defendants allegedly imposed on operating hotels, is 7 moot in light of the recently issued state guidance that permits hotels to reopen so 8 long as the local county public health officer (who is not a defendant in this action) 9 determines that reopening is advisable based on current conditions. In light of this 10 new guidance, and given the dearth of specific evidence in the TRO showing that 11 Plaintiff is likely to experience irreparable harm in the absence of a TRO, this Court 12 should find that extraordinary relief is not warranted.

Even if the requested TRO were not moot, Plaintiff is not likely to succeed on
the merits. This is particularly true in light of the current public health crisis and
the constitutional standard applicable to the Governor's exercise of his emergency
powers to combat that crisis. But the claims are also not likely to succeed under a
traditional constitutional analysis.

Also, Plaintiff has not shown that the remaining factors warrant an injunction.
To the contrary, any economic harm to Plaintiff absent a temporary restraining
order is greatly outweighed by the significant risk of severe harm to the public if
California's careful, evidence-based efforts toward gradual reopening are disrupted.
For all of these reasons, Plaintiff's application should be denied.

23 24

I. THE REQUESTED TRO IS MOOT AND PLAINTIFF HAS FAILED TO DEMONSTRATE IRREPARABLE HARM.

As a threshold matter, the recently issued state public health guidance for
hotels renders the interim relief that Plaintiff seeks moot. Mootness occurs when
"subsequent events make it absolutely clear that the allegedly wrongful behavior
could not reasonably be expected to recur." *Friends of the Earth, Inc. v. Laidlaw*

Envtl. Servs. (TOC), Inc., 528 U.S. 167, 170 (2000). Government officials are
 presumed to act in good faith when they repeal legislation or otherwise cease
 challenged conduct, such that a plaintiff must establish a "reasonable expectation"
 that the challenged conduct is likely to recur. *Bd. of Trs. of Glazing Health & Welfare Tr. v. Chambers*, 941 F.3d 1195, 1198 (9th Cir. 2019) (addressing
 mootness in the context of a repeal of challenged legislation).

Plaintiff's TRO seeks to enjoin Defendants "from prohibiting Plaintiff's 7 8 operation of its hotel business ... on the basis that said activity does not fall ... 9 within a category of businesses otherwise permitted by Defendant Governor 10 Newsom to reopen." TRO App., ECF No. 8 at 3. But the California Department of 11 Public Health has issued guidance for the safe reopening of hotels. RJN Exs. 10, 12 11. Accordingly, the operative executive orders and state public health orders 13 permit Plaintiff's hotel to reopen, subject to a determination by the local county 14 public health officer that reopening is advisable based on current conditions. *Id.* 15 The concern that the hotel will "reach a point of never being able to recover" as a 16 result of the State's orders, TRO App. at 12, is moot, in addition to being 17 unsupported by competent evidence as explained below. See Bd. of Trs. of Glazing *Health*, 941 F.3d at 1198.⁹ 18

19 Plaintiff has also failed to show a likelihood of irreparable harm, which further 20 forecloses a TRO or other injunctive relief. A plaintiff seeking temporary 21 injunctive relief must "demonstrate that irreparable injury is *likely* in the absence of 22 an injunction." *Winter*, 555 U.S. at 22 (emphasis in original). Irreparable harm is 23 "traditionally defined as harm for which there is no adequate legal remedy, such as 24 an award of damages." Arizona Dream Act Coal. v. Brewer, 757 F.3d 1053, 1068 25 (9th Cir. 2014). A plaintiff cannot obtain temporary injunctive relief without 26 ⁹ Also, Plaintiff has sued State officials. *See generally* Compl. Thus,

Also, Plantiff has steed State officials. See generally Compl. Thus,
whether local public health officers advise reopening is irrelevant to the mootness
issue because they are not before the court: any quibble that Plaintiff has with local
orders cannot be "redressed by a favorable judicial decision" on the TRO. *Brown v. Buhman*, 822 F.3d 1151, 1166 (10th Cir. 2016) (citation omitted).

1 producing evidence to make this showing. See Caribbean Marine Servs. Co. v. 2 Baldrige, 844 F.2d 668, 674 (9th Cir. 1988) (a plaintiff "must demonstrate" 3 immediate threatened injury as a prerequisite to preliminary injunctive relief."); 4 Am. Passage Media Corp. v. Cass Commc'ns, Inc., 750 F.2d 1470, 1473 (9th Cir. 5 1985) (reversing the entry of a preliminary injunction because the movant had not 6 shown irreparable harm). Such evidence must be more than "affidavits [that] are 7 conclusory and without sufficient support in facts." Am. Passage Media Corp., 750 8 F.2d at 1473.

9 Here, Plaintiff cannot demonstrate irreparable harm based on the single, 10 conclusory affidavit attached to the TRO. Decl. Greg Grossman Supp. TRO App., 11 ECF No. 8-2. The declaration contains almost no information regarding the length 12 of time that Plaintiff could continue to maintain the V Palm Springs Hotel without experiencing severe financial hardship. See generally id. Thus, any harm 13 14 experienced from the temporary closure of the hotel would be compensable in 15 damages and is therefore not irreparable. See Arizona Dream Act Coal. v. Brewer, 16 757 F.3d 1053 at 1068; Rent-A-Ctr., Inc. v. Canyon Television & Appliance Rental, 17 Inc., 944 F.2d 597, 603 (9th Cir. 1991).

 18 II. PLAINTIFF HAS NOT SHOWN A LIKELIHOOD OF SUCCESS ON THE MERITS.

Plaintiff's TRO application must be denied because Plaintiff has not
demonstrated a likelihood of success on any of the claims. Plaintiff's challenge
fails under the framework applied in extraordinary circumstances like the one
California is facing during the COVID-19 pandemic. And even outside the
emergency context, the claims are deficient as a matter of law under traditional
standards of constitutional analysis.

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A. The State's Orders Are a Constitutional Exercise of the Governor's Emergency Powers to Combat COVID-19.

In an extraordinary public-health crisis such as the COVID-19 pandemic, the 3 State has broad emergency powers that it may exercise to protect public health, and 4 courts should afford deference to temporary actions taken to curb the spread of a 5 dangerous disease and mitigate its effects. As the Supreme Court has long 6 recognized, "a community has the right to protect itself against an epidemic of 7 disease which threatens the safety of its members." Jacobson v. Commonwealth of 8 Massachusetts, 197 U.S. 11, 25 (1905); see also Kansas v. Hendricks, 521 U.S. 9 10 346, 356-57 (1997) (recognizing the continuing vitality of *Jacobson*). "Our Constitution principally entrusts 'the safety and the health of the people' to the 11 politically accountable officials of the States," and such officials' public health 12 judgments "should not be subject to second-guessing" in court where—as here— 13 they "act in areas fraught with medical and scientific uncertainties." S. Bay United 14 Pentecostal Church v. Newsom, No. 19A1044, S. Ct. , 2020 WL 2813056, at 15 *2 (May 29, 2020) (Roberts, C.J., concurring) (quoting, inter alia, Jacobson, 197 16 U.S. at 38). 17

The framework set out in *Jacobson* recognizes that, "under the pressure of 18 great dangers," constitutional rights may be reasonably restricted "as the safety of 19 the general public may demand." Jacobson, 197 U.S. at 29. Emergency orders 20 issued to protect public health during the current crisis should be upheld unless they 21 have "no real or substantial relation" to legitimate public health ends or are "beyond 22 all question, a plain, palpable invasion" of constitutional rights. *Id.* at 31. This 23 deferential standard recognizes that, in a public health crisis, "it is no part of the 24 function of a court . . . to determine which one of two modes was likely to be the 25 most effective for the protection of the public against disease." *Id.* at 30. Rather, 26 "governing authorities must be granted the proper deference and wide latitude 27 necessary for dealing with . . . emergenc[ies]." Smith v. Avino, 91 F.3d 105, 109 28

(11th Cir. 1996), abrogated on other grounds, Steel Co. v. Citizens for a Better
 Env't, 523 U.S. 83 (1998).

3 Under *Jacobson*, Plaintiff's claims fail as a matter of law. As the Ninth 4 Circuit has recognized, the State's orders have a real and substantial relation to legitimate public health ends: "We're dealing here with a highly contagious and 5 6 often fatal disease for which there presently is no known cure." S. Bay United 7 Pentecostal Church v. Newsom, __ F.3d __, No. 20-55533, 2020 WL 2687079, at 8 *1 (9th Cir. May 22, 2020); see also Givens, 2020 WL 2307224, at *4 ("[T]he 9 State's stay at home order bears a real and substantial relation to public health."). 10 And—as shown more fully below—the orders are not "beyond all question" a 11 "plain, palpable invasion" of fundamental constitutional rights. *Jacobson*, 197 U.S. 12 at 31.

13 Plaintiff's TRO application ignores *Jacobson*. See generally TRO App. 14 Numerous federal courts, applying *Jacobson*, have already concluded that similar 15 challenges to the State's public health orders are unlikely to succeed on the merits. 16 See, e.g., S. Bay United Pentecostal Church, 2020 WL 2813056, at *1 (Roberts, 17 C.J., concurring) (declining to enjoin enforcement of the orders' ban on in-person 18 religious services); Best Supplement Guide, LLC v. Newsom, et al., No. 2:20-cv-00965-JAM-CKD, 2020 WL 2615022, at *3-7 (E.D. Cal. May 22, 2020) 19 20 (concluding that the State's orders are a "constitutional response to an 21 unprecedented pandemic"); Givens, 2020 WL 2307224, at *3-5 (applying Jacobson 22 to conclude that the plaintiffs were unlikely to succeed on their challenge to the stay-at-home orders); *Monica Six, et al. v. Newsom, et al.*, F. Supp. 3d , No. 23 24 820-cv-00877-JLS-DFM, 2020 WL 2896543 at *1–7 (C.D. Cal. May 22, 2020) 25 (same); Cross Culture Christian Ctr. v. Newsom, __ F. Supp. 3d __, No. 2:20-cv-26 00832-JAM-CKD, 2020 WL 2121111, at *3-5 (E.D. Cal. May 5, 2020) (the State's 27 orders "bear a real and substantial relation to public health"); *Gish v. Newsom*, No. 28 5:20-cv-00755-JGB-KKX, 2020 WL 1979970, at *4–5 (C.D. Cal. Apr. 23, 2020),

appeal docketed, No. 20-55445 (9th Cir. Apr. 28, 2020) (performing a similar
 analysis).

3 Plaintiff's suggestion that the State's Roadmap is unnecessary, see TRO App. 4 at 8, lacks evidentiary support. It is apparent that COVID-19 has spread rapidly 5 within California, has caused thousands of deaths, and continues to pose a serious 6 threat. See RJN Exs. 1, 10; Watt Decl. at ¶¶ 9–22. Without the State's measured 7 approach to reopening, the State risks an increase in new cases and deaths, and the 8 number of cases could overwhelm the health system. Watt Decl. at ¶¶ 16–17. The 9 progress that the State has made in managing the crisis is evidence of the efficacy 10 of the directives, not evidence that those measures are unnecessary. See Best 11 Supplement, 2020 WL 2615022, at *3 ("Plaintiffs wholly fail to grapple with the 12 possibility that the health of their neighbors is a symptom of the stay at home orders, rather than evidence that the restrictions aren't needed."); Monica Six, 2020 13 14 WL 2896543, at *4 (finding that the plaintiffs' argument that the Stay-at-Home 15 Order is unnecessary because infection and hospitalization rates are much lower 16 than originally predicted "fails to account for the possibility that numbers are lower 17 *because* of the Stay-at-Home Order." (emphasis in original)).

18 As the Supreme Court has cautioned, it is not for the judiciary to second-guess 19 which public health policies are "likely to be the most effective for the protection of 20 the public against disease." Jacobson, 197 U.S. at 30; see also S. Bay United 21 Pentecostal Church v. Newsom, 2020 WL 2813056, at *2 (Roberts, C.J., 22 concurring). Plaintiff has not identified any constitutional infringement by the State 23 under traditional constitutional analysis, *see infra* Section II.B, so they certainly 24 have not identified any action that is unconstitutional under the "minimal scrutiny" 25 required where executive action is [taken] in response to an emergency." Gish, 26 2020 WL 1979970, at *3. Given the public health emergency caused by the 27 COVID-19 pandemic—and the deference afforded to public health officials 28 ///

responding to such an emergency—Plaintiff is unlikely to succeed on any claims in
 this lawsuit.

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B. Plaintiff Is Also Unlikely to Succeed Under Traditional Constitutional Analysis.

Plaintiff has failed to show any likelihood of success on the merits even under a traditional constitutional analysis.¹⁰

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1. Plaintiff's Due Process Claim Fails

8 The State's emergency orders do not violate Plaintiff's procedural or9 substantive due process rights.

10 First, binding precedent squarely forecloses Plaintiff's procedural due process 11 argument that "hearings" and appellate rights are necessary before the State 12 imposes broadly applicable public health orders. TRO App. at 17. Governmental 13 decisions that "affect large areas and are not directed at one or a few individuals do 14 not give rise to the constitutional procedural due process requirements of individual 15 notice and hearing; general notice as provided by law is sufficient." *Halverson v.* 16 Skagit Cty., 42 F.3d 1257, 1261 (9th Cir. 1994). Thus, the issuance of the 17 emergency orders provided all the notice that was needed under the Due Process 18 Clause. See Best Supplement, 2020 WL 2615022, at *5 (rejecting a similar 19 argument that pre-deprivation process is required before enactment and 20 enforcement of laws of general applicability); accord, Hartman v. Acton, ____ F. 21 Supp. 3d , No. 2:20-CV-1952, 2020 WL 1932896, at *8 (S.D. Ohio Apr. 21, 22 2020) (Ohio order issued to combat COVID-19 did not violate due process because 23 it "was a generally applicable order affecting thousands of businesses, and not a 24 decision targeting an individual or single business"). 25 ///

¹⁰ Also, Plaintiff's suit against the State Defendants in their official capacities
is "no different than a suit against the state itself," and the damages claims are
therefore barred under the Eleventh Amendment. *Will v. Michigan Dep't of State Police*, 491 U.S. 58, 71 (1989).

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A substantive due process claim would fare no better. To the extent such an argument is based on Plaintiff's claim under the Takings Clause, that argument fails 3 for the same reasons that the takings claims fails. *See infra*, Argument, II.B.3.

4 To the extent the claim rests on a right to engage in a chosen profession, 5 although courts have recognized a right to pursue one's occupation, "all cases 6 recognizing such a right have dealt with a complete prohibition on the right to 7 engage in a calling, and not a sort of brief interruption." Guzman v. Shewry, 552 8 F.3d 941, 954 (9th Cir. 2009). Here, the State's orders impose no more than a 9 temporary interruption to the activities of certain businesses. RJN Exs. 2–11.

10 Even if Plaintiff could establish that the orders implicate the right to pursue a 11 profession protected by substantive due process, the claim could not succeed 12 without a showing that the State's orders are "arbitrary and lacking a rational 13 basis." Engquist v. Or. Dept. of Agric., 478 F.3d 985, 997 (9th Cir. 2007). As 14 Chief Justice Roberts and the Ninth Circuit have already recognized, the State's 15 orders do in fact have a rational basis, as a response to the COVID-19 pandemic. S. 16 Bay United Pentecostal Church, 2020 WL 2813056, at *1–2; S. Bay United 17 *Pentecostal Church*, 2020 WL 2687079, at *1. Multiple courts have already 18 rejected similar due process challenges for this reason. See, e.g., Best Supplement, 19 2020 WL 2615022, at *6; *McGhee v. City of Flagstaff*, No. CV-20-08081-PCT-20 GMS, 2020 WL 2308479, at *5–6 (D. Ariz. May 8, 2020). Thus, the due process 21 claim is not likely to succeed.

22 Plaintiff also appears to argue that the state orders violate due process by 23 being impermissibly vague. TRO App. at 16–17. Plaintiff does not, however, 24 explain how the orders are vague as applied to hotels. *Id.* Indeed, Plaintiff's 25 assertion that the orders prohibit its hotel from operating undercut any suggestion 26 that there is uncertainty as to the orders' application to hotels and lodging. *Id.* at 19 27 (stating that Plaintiff's business "was required to shut down"). The orders plainly 28 are not "impermissibly vague," Hotel & Motel Ass'n of Oakland v. City of Oakland,

344 F.3d 959, 971 (9th Cir. 2003), because they include sufficient detail about the
 nature of the activities that are allowed and prohibited. RJN Exs. 2, 6–7, 11.

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2. Plaintiff's Equal Protection Claim Fails

4 Plaintiff is not likely to succeed on the equal protection claim because the 5 State's orders easily survive rational basis review. "Under rational basis review, 6 legislation that does not draw a distinction along suspect lines such as race or 7 gender passes muster under the Equal Protection Clause so long as there is any 8 reasonably conceivable state of facts that could provide a rational basis for the 9 classification." Angelotti Chiropractic, Inc. v. Baker, 791 F.3d 1075, 1085 (9th Cir. 10 2015) (citation and internal quotation omitted). And, when government officials 11 "act in areas fraught with medical and scientific uncertainties," their discretion 12 "must be especially broad": courts should be cautious not to "second-guess" public officials' medical and scientific judgments. Marshall v. United States, 414 U.S. 13 14 417, 427 (1974); see S. Bay United Pentecostal Church, 2020 WL 2813056, at *2.

15 Here, the state has drawn distinctions between different types of business and 16 imposed greater restrictions on activities that public health officials have 17 determined present more serious risks to public health as a result of the COVID-19 pandemic. See Watt Decl. at ¶¶ 16–22. The staged reopening of California's 18 19 economy, likewise, is being undertaken through a risk-based analysis permitting 20 local jurisdictions to move at a faster pace based on demonstrated stability and readiness criteria. See Watt Decl. at ¶¶ 16–17. As other courts have recognized, 21 22 the State's orders bear a "real and substantial relation to public health." Cross 23 *Culture*, 2020 WL 2121111, at *4. Drawing such risk-based distinctions is a 24 rational exercise of the State's authority, particularly given the obvious threat posed 25 by COVID-19. Cf. An Na Peng v. Holder, 673 F.3d 1248, 1258–59 (9th Cir. 2012) 26 (upholding, under rational basis review, a distinction based on assessed risk to public safety); Legacy Church, Inc. v. Kunkel, et al., __ F. Supp. 3d __, No. CIV 27 28 20-0327 JB/SCY, 2020 WL 1905586 at *36 n.12 (D.N.M. Apr. 17, 2020)

(upholding, in the context of the COVID-19 pandemic, restrictions on activities that
 "entail bringing large groups of people into close proximity—precisely the
 environment in which a highly contagious disease proliferates").

4 There is no merit to Plaintiff's suggestion that the State's orders are subject to 5 strict scrutiny. See TRO App. at 14. On the contrary, they are neutral, generally 6 applicable orders that (as demonstrated in the discussion of the merits of Plaintiff's 7 other constitutional claims) do not implicate fundamental rights, and are therefore 8 subject to rational basis review. See FCC v. Beach Commc'ns, Inc., 508 U.S. 307, 9 313 (1993); cf. Cross Culture, 2020 WL 2121111, at *7 (determining that, in the 10 context of a Free Exercise claim, the State's orders were "neutral laws of general 11 applicability" that were subject to rational basis review). They easily survive 12 rational basis review. See generally Background, I.A.

13 Even if the orders were subject to strict scrutiny, they would survive it. The 14 State has a compelling interest in protecting the public from the spread of COVID-15 19. California's swift and decisive measures instructing residents to stay at home 16 and prohibiting public gatherings have allowed the State to slow the spread of the 17 disease. See Best Supplement, 2020 WL 2615022, at *3 ("undisputed information" 18 about COVID-19 and its transmission" explained why certain temporary closures were necessary); Monica Six, 2020 WL 2896543, at *4 (noting that physical 19 20 distancing is "critical to slowing down the spread of the virus"). Without these 21 measures, hospitals and health care providers could quickly become overwhelmed. 22 RJN Exs. 3–5; See Watt Decl. at ¶¶ 10–24. The State plainly has a compelling 23 interest in implementing its public health measures and orders.

The orders are also narrowly tailored to serve the State's compelling interest in avoiding the spread of COVID-19 because the virus is highly contagious and the facilities that have been subject to restrictions, such as churches, salons, and hotels, pose particular risks. *See* Watt Decl. at ¶¶ 17–24; *Givens*, 2020 WL 2307224, at *6 (noting that "the only fool-proof way to prevent the virus from spreading at in-

person gatherings" was to "prohibit[] in-person gatherings"). Narrow tailoring is
 further evidenced by the temporary and flexible nature of the orders. The Governor
 and the State Public Health Officer have carefully deployed a staged reopening, and
 the State has provided guidance to hotels regarding reopening while mitigating and
 managing the public health risks. *See* Background, I.B, *supra*; *see also* RJN Exs.
 10–11.

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3. Plaintiff's Takings Claim Fails

8 Plaintiff's Takings Clause claim is not likely to succeed for four reasons. 9 First, as a matter of law, the takings claim is not a basis on which Plaintiff can obtain a TRO. See Knick v. Twp. of Scott, Penn., 139 S. Ct. 2162, 2179 (2019) 10 11 ("As long as just compensation remedies are available—as they have been for 12 nearly 150 years—injunctive relief will be foreclosed."); see also Wisconsin Cent. 13 *Ltd. v. Pub. Serv. Comm'n*, 95 F.3d 1359, 1369 (7th Cir. 1996) ("With the question" 14 being one of monetary compensation, a [Takings Clause] plaintiff would be hard 15 pressed to demonstrate either irreparable harm or an inadequate remedy at law."); 16 RJN Ex. 12 (Professional Beauty Fed'n of Calif. v. Newsom, et al., No. 2:20-cv-17 04275-RGK-AS, at * 12 (C.D. Cal. June 8, 2020) (denying the plaintiff's 18 application for a TRO and noting that "damages—not injunctive relief—are the 19 proper remedy for a taking.")). 20 Second, "the Supreme Court has consistently held that the doctrine of

21 necessity"-which obviates the need for compensation under the Takings Clause-22 applies "when there is an imminent danger and an actual emergency giving rise to 23 actual necessity." TrinCo Inv. Co. v. United States, 722 F.3d 1375, 1378 (Fed. Cir. 2013) (collecting cases); see, e.g., United States v. Caltex, 344 U.S. 149, 151-56 24 25 (1952). Even assuming an otherwise compensable taking occurred—which it did not—such "imminent danger" and "actual emergency" are plainly present here. 26 27 See, e.g., S. Bay United Pentecostal Church, 2020 WL 2813056, at *1–2 28 (describing the threat presented by COVID-19). Under the circumstances, the

1 operation of Plaintiff's hotel before a local health officer has analyzed local 2 conditions is itself a threat to public health and safety because it risks spreading a 3 deadly disease. Cf. Miller v. Schoene, 276 U.S. 272, 277 (1928) (upholding a 4 Virginia statute providing for the uncompensated destruction of cedar trees to 5 prevent the spread of disease).

6 Also, even if the Court were to analyze the State's orders under a traditional 7 regulatory-takings framework, there has been no regulatory taking here. 8 Government regulation requires compensation when, considering the purpose of the 9 regulation and the extent to which it deprives the owner of economic use of the 10 property, "the regulation has unfairly singled out the property owner to bear a 11 burden that should be borne by the public as a whole." Yee v. City of Escondido, 12 503 U.S. 519, 522–23 (1992). The State has not singled out Plaintiff to bear a 13 burden that should be borne by the public as a whole: on the contrary, the State has 14 asked the entire public to share the burden of protecting public health. And if 15 policies regulating every aspect of public life—such as the State's orders here— 16 were held to constitute regulatory takings, there would be no obvious reason that 17 (for example) all general macroeconomic policies would not constitute regulatory 18 takings as applied to those businesses they disadvantaged.

19 But that is not the law. When the government exercises its police powers to 20 protect the safety, health, and general welfare of the public, no compensable taking 21 has occurred. See Chi., B. & O. R. Co. v. Illinois, 200 U.S. 561, 594 (1906) ("[T]he 22 legislature may make police regulations, although they may interfere with the full 23 enjoyment of private property, and though no compensation is given." (quotation 24 omitted)); Akins v. United States, 82 Fed. Cl. 619, 622 (2008) ("Property seized 25 and retained pursuant to the police power is not taken for a 'public use' in the 26 context of the Takings Clause."); *Mugler v. Kansas*, 123 U.S. 623, 668–69 (1887) 27 ("[A] prohibition . . . upon the use of property for purposes that are declared, by 28 valid legislation, to be injurious to the health, morals, or safety of the community,

cannot in any just sense, be deemed a taking or an appropriation of property for the
 public benefit."). In this light, "the character of the governmental action" weighs
 decisively against any regulatory taking here: the State's orders are a paradigmatic
 example of a "public program adjusting the benefits and burdens of economic life
 to promote the common good." *Penn Central Transp. Co. v. City of New York*, 438
 U.S. 104, 124 (1978).

7 Finally, Plaintiff has not presented evidence showing that a regulatory taking 8 has occurred under *Penn Central*. A temporary prohibition on the use or enjoyment 9 of property is not a per se compensable taking. See Tahoe-Sierra Pres. Council, 10 Inc. v. Tahoe Reg'l Planning Agency, 535 U.S. 302, 334–35 (2002) (holding that a 11 32-month moratorium on property development did not constitute a per se taking). 12 And the conclusory affidavit submitted with the TRO does not sufficiently address 13 "the economic impact of [the State's orders] on [Plaintiff]," or "the extent to which 14 the [State's orders have] interfered with [Plaintiff's] distinct investment-backed 15 expectations" See Penn Central, 438 U.S. at 124, or what those investment-backed 16 expectations actually are. The evidence does not support a right to the 17 extraordinary relief that Plaintiff requests. 18 Thus, Plaintiff's takings claim is unlikely to succeed.

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C. Plaintiff's State Law Claims Are Barred by the Eleventh Amendment and Fail on the Merits.

21 Plaintiff also alleges that the State's orders violate the California Constitution. 22 Compl. at ¶¶ 99–129; TRO App. at 20–22. All of the state-law claims are barred 23 under the Eleventh Amendment. "A federal court's grant of relief against state 24 officials on the basis of state law, whether prospective or retroactive . . . conflicts 25 directly with the principles of federalism that underlie the Eleventh Amendment." 26 Pennhurst State Sch. & Hosp. v. Halderman, 465 U.S. 89, 106 (1984); see also 27 Elim Romanian Pentecostal Church v. Pritzker, No. 20-1811, 2020 WL 2517093, at 28 *1 (7th Cir. May 16, 2020) ("[P]laintiffs-appellants may not obtain injunctive relief

against the Governor in federal court on the basis of' state law); *Best Supplement*,
 2020 WL 2615022, at *7 (holding that state-law claims challenging the State orders
 "are barred by the Eleventh Amendment").

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Also, Plaintiff's state-law claim under Article I, section 1, of the California Constitution fails on the merits. "The guarantees of that section are not absolute 5 6 and do not operate as a curtailment on the basic power of the Legislature to enact 7 reasonable police regulations." Nat'l Org. for Reform of Marijuana Laws v. Gain, 100 Cal. App. 3d 586, 598 (1979). As explained, the State's orders are a reasonable 8 9 police-power regulation. Indeed, federal courts already rejected substantially 10 identical claims on the merits. Givens, 2020 WL 2307224, at *9; accord Best 11 Supplement, 2020 WL 2615022, at *7. Plaintiff cites Jew Ho v. Williamson, 103 F. 12 10 (C.C.N.D. Cal. 1900) and *Ex parte Martin*, 83 Cal. App. 2d 164 (1948), TRO 13 App. at 20–21, but courts have already found that those cases are "distinguishable" 14 and of little precedential value," when considering the State's orders issued to 15 prevent the spread of COVID-19. Givens, 2020 WL 2307224, at *9.

16 The remaining state-law claims are also unlikely to succeed. Plaintiff's claims 17 based on Article I, section 19, of the California Constitution (Compl. at ¶¶ 117– 18 124) and Government Code section 8572 (Compl. at ¶ 125–127) fail for the same 19 reasons as the federal takings claim. See Lockaway Storage v. Cty. of Alameda, 216 20 Cal. App. 4th 161, 183 (2013) ("[T]he takings clause in the California Constitution" (Article I, section 19) "is construed congruently with the federal clause."); Farmers 21 22 Ins. Exch. v. State of California, 175 Cal. App. 3d 494, 502 (1985) (applying a 23 takings analysis under Article I, section 19 to determine whether compensation was 24 due under Government Code section 8572). And Plaintiff concedes that 25 "California's constitutional guarantee of equal protection and the Fourteenth 26 Amendment's guarantee of equal protection are substantially equivalent and analyzed in similar fashion." Compl. at ¶ 112 (citing Kenneally v. Medical Board, 27 28 ///

27 Cal. App. 4th 489 (App. 2 Dist. 1994)). Thus, Plaintiff's state-law equal
 protection claim (Compl. at ¶¶ 110–116) fails with the federal claim.
 For all of these reasons, Plaintiff's state-law claims fail on the merits and
 cannot support the grant of a TRO.

- **III.** THE REMAINING FACTORS WEIGH HEAVILY AGAINST ISSUANCE OF A TEMPORARY RESTRAINING ORDER.
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7 The remaining injunction factors—the balance of equities and the public interest—also favor the State Defendants.¹¹ See Winter, 555 U.S. at 20. Any 8 9 economic impact that Plaintiff might have suffered as a result of the State's public-10 health orders is far outweighed by the potential harm to public health if the orders were abruptly lifted. See Background, I.A, I.C, supra. Such a disruption could 11 12 permit COVID-19 to spread, infecting thousands of people and killing many of 13 them. See id. Also, an order requiring the reopening of hotels would interfere with 14 the careful reopening of California businesses that is already underway and will 15 continue so long as sufficient progress is being made in containing the virus. This 16 process was designed to minimize and mitigate the risks of reopening. See id. The 17 State's orders allow a gradual reopening after county public health officials have 18 evaluated local conditions, acknowledging differences in local jurisdictions' ability 19 to safely progress through the various stages of reopening. RJN Exs. 8-11; see 20 Watt. Decl. at ¶¶ 15–24. The public interest in ensuring the careful, gradual 21 reopening of the California economy, through orders that allow flexibility to 22 respond to local spikes in the disease, greatly outweighs any harm caused to 23 Plaintiff, who seeks to depart from the status quo.

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1		CONCLUSION	
2	The Court should de		tomporary restraining
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	Dated: June 9, 2020	-	y submitted,
5		XAVIER BEG Attorney G	eneral of California BOWER
6 7		Acting Sup	ervising Deputy Attorney
8		General PETER H. C Deputy Atte	HANG orney General
9		/s/ Martha	Ehlenbach
10		Martha Ei	HLENBACH
11		Deputy Atte Attorneys fe	orney General or Defendants Gavin onia Angell, and Xavier
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1	CERTIFICATE OF SERVICE		
2	Case Name: PCG-SP Venture I LLC v. Newsom, et al. No. 5:20-cv-01138 JGB-KK		
3	NO. 3.20-CV-01130 JGD-XX		
4	I hereby certify that on <u>June 9, 2020</u> , I electronically filed the following documents with the Clerk of the Court by using the CM/ECF system:		
5	while the court by using the civit Let system.		
6	• DEFENDANTS NEWSOM, ANGELL, AND BECERRA'S OPPOSITION TO PLAINTIFF'S EX PARTE APPLICATION FOR A		
7	TEMPORARY RESTRAINING ORDER		
8	I certify that all participants in the case are registered CM/ECF users and that service will be accomplished by the CM/ECF system.		
9			
10	I declare under penalty of perjury under the laws of the State of California the foregoing is true and correct and that this declaration was executed on June 9 ,		
11	2020, at Sacramento, California.		
12	Danielle Jones /s/ Danielle Jones		
13	Declarant Signature		
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