

CBPA Weekly Update – February 2, 2022

February 4, 2022

EV CHARGING RETROFIT OF EXISTING BUILDING

[AB 1738 \(Boerner-Horvath\)](#) was introduced earlier this week requiring the Building Standards Commission (BSC) and two other agencies to adopt standards requiring the installation of fully functioning Level 2 or Level 3 electric vehicle charging equipment in existing commercial, residential, and school buildings. The bill requires the implementation of the new regulations by July 1, 2024.

Since 2015, new residential and commercial construction have been required to apply EV-charging standards to a minimum percentage of parking spaces. However, EV advocates recognize that new construction represents only a tiny percentage of the total building stock and are now focusing attention on existing building stock.

Unfortunately, the bill does not address the critical question: Who will pay for this costly retrofit? The bill does indicate that the BSC should seek to establish “cost-effective trigger points” to reduce the overall impact on the project, but it fails to define what is “cost-effective.”

As specified in the bill, *“Cost-effective trigger points” means criteria for requiring installation of electric vehicle charging stations that take advantage of the reduced cost of that installation in existing residential and nonresidential buildings when other construction, retrofits, or repair action is taking place so that electric vehicle charging stations are made more widely available in a cost-effective manner.*”

Given past practice, it is assumed that once this becomes a state mandate, financial incentives from the state will no longer be available to reduce the cost. Without further clarification, the building owner will have to absorb the entire cost or find a third-party supplier to take over that portion of the job. At this point we have concerns with the bill and look forward to working with the author.

BILL WOULD HALT CONSTRUCTION

Earlier this week [AB 1749 \(Garcia\)](#) was introduced which is in effect would create a construction moratorium in many areas of the state and will make the housing crisis worse and disrupt the supply chain.

This legislation will create a basis for legal challenges to projects near sensitive communities throughout all of California. This bill could give the State Air Resources Board more control over our projects and the ability to stop them, and prohibit governmental agencies from approving a project, as defined, if that project would contribute to an increase in criteria air pollutants or toxic air contaminants in a disadvantaged community.

We are looking for input as we prepare to pushback on this legislation, as initial analysis looks like this bill would negatively impact housing, and goods movement/supply chain projects which are extremely important.

Stay tuned for more updates on AB 1749.

LA COUNTY EVICTION ORDINANCE

LA County's Eviction Ordinance for commercial tenants has been allowed to expire.

As of February 1, 2022, Commercial Tenants are no longer protected from eviction due to nonpayment of rent. Commercial Tenants will have the following time to repay past due rent from March 2020-January 2022: Twelve (12) months for those with 0-9 employees; Six (6) months for those with 10-100 employees in equal installments.

While eviction protections for nonpayment of rent are expiring, anti-harassment and retaliation protections will continue during the protection period, as well as personal guarantee protection for smaller (0-9 employees) commercial tenants.

To read more [click here](#).

SINGLE PAYER HEALTHCARE STOPPED

AB 1400, a measure that would have created a state-run single-payer health care system in California failed to meet a key legislative deadline earlier this week and is stalled for the year.

Our industry joined with the CalChamber's coalition of 130 members to oppose this JOB KILLER as it would have resulted in higher taxes and more job loss in California.

In the opposition letter, [found here](#), it is stated that this legislation would have costed more than \$400 billion annually. Trying to create an entirely new state function that costs more than twice the state budget is an incredibly challenging task, especially given our state's recent experience with massive fraud and uncertainty of the function's feasibility. This will not be the last attempt at a major healthcare overhaul in California, and we will be a part of any future attempts that do not make sense for California's economy. Thank you to our friends at the CalChamber for their arduous work and organization on this legislation.

INDUSTRY AWARDS DINNER & CBPA'S 50TH ANNIVERSARY- REGISTER!

[California Business Properties Association Industry Awards Dinner & 50th Anniversary Celebration](#) is scheduled for March 24, 2022, at The Renaissance Hotel in Newport Beach starting at 6:00pm. This bi-annual event is a chance to recognize the unwavering leadership of individuals and companies dedicated to the office, industrial, and retail real estate industry.

This year we will be pairing the Awards Dinner with a 50 Year Celebration, acknowledging the history and key role California Business Properties Association has played in advocating for and defending our vital industry. CBPA would not be successful without our leadership, membership, and those in our industry who go above and beyond in the legislative process.

With [Rex Hime's retirement announcement](#), and his 37 years of service to our industry, this event will also be an opportunity to honor and thank him and those who helped establish CBPA to become "The Voice of Commercial Real Estate," in California.

The following peer-nominated awards represent the highest recognition given to industry leaders in the State of California:

The Ernest W. Hahn Memorial Award honors our founder's many contributions to the real estate industry. The award is given to an individual and/or organization that go above and beyond the call of duty to impact legislative, regulatory, or public policy issues on behalf of our industry.

[Honoree: NewMark Merrill, Sandy Sigal](#)

The John Caldecott Memorial Award honors the unfaltering lifelong community service provided by John Caldecott through his service in the Salvation Army. The award recognizes an individual and/or organization that advances our industry through community service to others.

Honoree: Kilroy Realty

The Ray Magnussen Memorial Award honors Ray Magnussen who, as a provider to our industry, lead a statewide effort of advocacy to help fight issues facing all of us. The award is given to an individual service provider and/or organization that goes above and beyond the call of duty to impact the commercial real estate industry.

Honoree: Sarahann Shapiro, Pahl & McCay

Champion of the Industry Awards are presented to individuals and/or companies who have dedicated themselves to the improvement of the commercial, industrial, and/or retail real estate industry in California through the development of projects that stand-out for their innovation, attraction, and versatility.

Honoree: Lew Horne, CBRE

Click the links below for Registration, Sponsorship, and hotel accommodations:

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We look forward to seeing you in March and celebrating our industry together!