

CBPA Weekly Update- February 5, 2021

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CALCHAMBER URGES PULL BACK OF EMERGENCY COVID RULES

On behalf of all employers in the state of California, including the commercial, industrial, and retail real estate industry, the CalChamber has urged the California Legislature this week to correct a series of costly COVID-19 workplace mandates imposed through an emergency regulation order.

“The regulation, issued by the California Division of Occupational Safety and Health (Cal/OSHA) late in 2020, requires employers to take a number of extraordinary steps that include providing costly unlimited paid time off for workers. It further creates an overly broad testing scheme that ignores the realities of current testing availability.”

[Click here](#) to read more about the effort and to see the full letter.

EVICTION MORATORIUM EXTENSION SIGNED INTO LAW

We are providing this story again because of the many questions received over the past week. This deal is RESIDENTIAL only. Currently there are no viable funding sources at either the federal or state level for a concurrent program relating to commercial leases.

Last week, Governor Newsom signed into law an extension of the State's eviction moratorium, language that came together over the past week that includes how to spend \$2.6 Billion in federal funds tagged for residential rent relief.

The deal extends the provisions of AB 3088 signed into law last Fall, to June 30, 2021, with a few additions, including how to distribute Federal funds. The bill establishes the State Rental Assistance Program to allocate \$2.6 billion in federal rental assistance. The program will target aid to income-qualified tenants most at-risk with unpaid back rent.

Assistance will also be extended to residential property owners who agree to waive 20 percent of unpaid rent. By agreeing to this waiver, property owners will become eligible for 80 percent in rent reimbursements for amounts owed between April 1, 2020 and March 31, 2021.

As a reminder, this program includes residential leases/properties only — Commercial is NOT included in this deal/bill.

[Click here](#) to see what the Governor says about the measure.

Our friends at the California Apartment Association have provided an “Explainer” that lists all the major points of the compromise. We thank CAA for their work on this. [Click here](#) to see the summary of the deal.

We want to reiterate that commercial properties are not included in this measure. And that is due to the massive education effort we all put forth to defeat SB 939 earlier this year. We argued that the business-to-business nature of commercial transactions

does no merit a heavy handed one-size-fits-all statewide ordinance and such a policy would stymie any economic recovery.

However, another measure has been introduced this year pertaining to non-residential evictions, AB 255 (Muratsuchi). We are currently working with Assemblymember Muratsuchi to see if the state can help fund small commercial tenants and small property owners in a similar fashion. The federal funds are restricted to residential tenants so the state will have to find an alternate source of funding.

[Click here](#) to read SB 91 (Committee on Budget).

GLOBE STREET: STATE AND LOCAL REGULATION IS THE BIGGEST UNCERTAINTY IN 2021

Our good friend Timothy Jemal from the NAIOP SoCal chapter is quoted in this story that looks at state and local policy coming our way in 2021, including another attempt to implement an indirect source rule from the local air boards, a policy that will have a massive impact on costs for operating industrial properties – and retail and office properties as well!

[Click here](#) to read the story.

COMMERCIAL OBSERVER: LANDLORD SUES L.A. COUNTY OVER COMMERCIAL EVICTION BAN

Here is some press coverage regarding the first lawsuit against a commercial local eviction moratorium in California – first in the Nation.

[*Iten v. County of Los Angeles*](#) seeks to end L.A. County's commercial eviction ban. The Pacific Legal Foundation represents Howard Iten, the commercial property owner and plaintiff in the case.

[Click here](#) for the Commercial Observer news story: Landlord Sues LA County Over Commercial Eviction Ban.