

CBPA Weekly Update – November 5, 2021

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STRATEGIC ISSUES CONFERENCE – HOTEL DISCOUNT ENDS TODAY

*****DISCOUNTED HOTEL ROOM RATE ENDS TODAY. [BOOK YOUR ROOM TODAY!!](#)*****

Several major groups have come together to host an event you don't want to miss! California Business Properties Association (CBPA), American Council for Engineering Companies (ACEC), Building Owners and Managers of California (BOMA CAL), California Alliance for Jobs (CAJ), California Building Industry Association (CBIA), California Business Roundtable (CBRT), California Manufacturers & Technology Association (CMTA), California Retailers Association (CRA), invite you to attend one of the premier California policy gatherings, 2021 Strategic Issues Conference.

California's leading home builders, retailers, manufacturers, business property owners, managers, and developers will come together to increase public policy and political awareness of state and national issues and foster collaborative efforts among business leaders from all sectors of the California economy. The topics of discussion that impact California's economy are as follows – Upcoming 2022 Elections and Statewide Politics California's Response to the Drought, Storm Water Runoff, Housing in California, Goods Movement and the Supply Chain, and How Crime affects California.

[REGISTER HERE](#)

December 2-3, 2021

Embassy Suites by Hilton Napa Valley

1075 California Boulevard, Napa, CA – [CLICK HERE FOR HOTEL ROOM BLOCK](#)

The Strategic Issues Conference offers a unique opportunity, in an intimate setting, to enjoy significant exposure to key decision-makers and policymakers from both the public and private sectors. Your sponsorship will signal your strong support for improving the business climate in California.

[CLICK HERE](#) for sponsorship details or contact Melissa Stevens at mstevens@cbpa.com

To help you with logistics here is a full listing of events and meetings:

Thursday, December 2

- NAIOP California State Meeting, 10:30am
- CBPA Board Meeting, 1:00pm
- BOMA Board Meeting, 3:00pm
- Wine Reception, 5:30pm
- Dinner & Housing Panel, 6:30pm

Friday, December 3

- Breakfast & California Politics, 8:00am
- California's Response to the Drought, 9:30am
- Stormwater Panel, 10:30am
- Crime in California, 11:15am
- Lunch & Goods Movement/Supply Chain, 12:00pm

PRESSURE BUILDS FOR ACTION ON PORT CONGESTION

Our industry's call for action to relieve the massive backup at major California Ports is slowly but surely gaining steam. On Wednesday, the Senate and Assembly Select Committees on Ports and Goods Movement met to discuss the scope of the problem and identify causes and potential solutions to the crisis.

The time it takes for the entire goods movement sector to operate has nearly doubled. From ships and trucks waiting time to load and unload goods including our building materials, to our warehouses being occupied with goods and containers for over a week keeping them at capacity, our industry has called for immediate action.

Some of the potential solutions from these committees for ports and warehouses are as follows:

- Locate State or non-State land for temporary storage near the ports.
 - Increase stacking height for shipping containers
 - Add a "dwell" time fee to incentive moving containers off of the docks

- Increase efficiency of pick-up and drop-off of shipping containers
- Increase hours of operations at warehouses and distribution centers
- Operate warehouse and distribution centers 24/7

The business community has already provided a letter to the Governor asking him to meet this challenge with a sense of urgency. We are asking for a temporary suspension of rules and regulations hindering our goods movement sector, just as Governor Newsom temporarily suspended some labor laws for health care professionals to meet the covid pandemic head on. Even with a temporary suspension on these rules and regulations, California would still have the strongest labor and environmental protections but be able to meet this challenge more effectively.

The business community has called on the Governor to take immediate steps to address the problem:

1. Declare a State of Emergency at the ports and the associated transportation links to enable quick action to resolve bottlenecks as they arise;
2. Suspend implementation of AB 701 until the supply chain has normalized and goods movement has been restored;
3. Suspend AB 5 and allow independent truckers to operate in and through California until the supply chain has normalized; 3

4. Provide flexibility on existing Air Resources and local port drayage truck regulations, and ensure upcoming deadlines on new regulations take into account delays in manufacturing and delivery of new trucks;
5. Suspend implementation of the Indirect Source Rule recently promulgated by the South Coast Air Quality Management District until the supply chain has normalized;
6. Suspend local and regional mandates that interfere or limit goods movement, including local prohibitions on unloading goods at stores after hours; and
7. Direct already appropriated state resources to clean up homeless encampments in and around goods movement corridors; and 8. Expedite the CEQA and permitting processes, including conditional use permits, for warehouses, rail line and other critical components of goods movement.

To read the full letter that the commercial, industrial, and retail real estate industry has signed on to, and as well as view the entire coalition, [click here](#).

Our friends at the California Chamber have also weighed in, [click here](#).

As well, the Ports have asked for the state to assist, [click here](#).

GOVERNOR'S OFFICE RESPONDS TO INDUSTRY LETTER ON PORTS

The Governor has responded through spokesperson Dee Dee Myers, Newsom's Senior Advisor, to our call to action in a Politico article and a Wall Street Journal piece (*link to the pieces if available*)

Myers noted that the Governor has released an Executive Order {link} but stated the Governor will not be declaring a state of emergency, which was the first ask of our coalition.

Politico went into detail with Dee Dee, “The governor is not declaring a state of emergency,” she said in a call with reporters. “I don’t think ... the situation legally checks the boxes that it would need to check.”

“Myers pointed to that order and to a decision this week by the ports of Los Angeles and Long Beach to start charging \$100 per day for each container that stays in a terminal too long. “That’s going to have an impact,” she said. “It’s going to change the economics.”

Stay tuned for more information on how the Newsom Administration will continue to respond to our industry, as well as any action taken by our growing coalition as we gain momentum.

FEDERAL COVID-19 MANDATE RELEASED

Yesterday, the federal Occupational Safety and Health Administration (OSHA) published their draft COVID-19 vaccine emergency regulations for employers. The actual draft regulations can be found [here](#) and begins on page 473 of the document. These regulations will effect your tenants, are employee focused, and CAL/OSHA will be coming out with their own standards soon.

These regulations for employers will completely go into effect on January 4. Any employer with 100 or more employees will be covered by this standard, and generally

this proposal has to do with testing of employees, verifying vaccination status of employees, and paid sick leave.

Cal/OSHA's California plan will use these federal regulations as a basis for their framework as they must have a regulation that is at least as effective as any federal standard in place within 30 days. CAL/OSHA is expected to meet and vote on the draft vaccine emergency regulation at their November 18 meeting.

We are part of a coalition put together by the CalChamber to make recommendations on common sense regulations.

2021 COMMERCIAL REAL ESTATE LEGISLATIVE SUMMARY

This was once again another interesting year in the legislature. With COVID-19 still in the mix, and the Recall playing a role, we continued to work hard in Sacramento to stay at the table and on top of legislation impacting our industry.

On behalf of the industry, we followed over 570 bills this year and are happy to report not one of the bills specially targeting our industry survived the legislative process (bills to ban commercial eviction, ban on dual agency, EV Charger mandate, etc.)

However, several bills that will impact how you operate as an employer, interact with subs, and construction issues (new construction and tenant improvements), were passed.

While we had a successful year in the legislature, there is no reason to get comfortable. Our summary includes bills signed and vetoed by the Governor, but it also highlights important 2-year bills that could be back. These bills range across a

variety of industry issues including earthquake building codes, commercial evictions, and warehouse pollution.

To read the full summary, [click here](#).