

# CBPA Weekly Update- September 10, 2021

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## **9/11 REFLECTION**

Saturday marks the 20th anniversary of the attack on America which has resulted in so many changes in the way we live our daily lives and the continuing saga of Afghanistan. So many of us shared in the common sorrow and anger of that day which resulted in a unity that is sadly lacking today. As Americans let's concentrate this weekend on how we can once again share in the common love of our country.

## **VOTE! MAKE YOUR VOICE HEARD!**

Tuesday is the statewide California Recall election. If you have not voted yet, we encourage you to do so, whatever your position may be. Our Representative Democracy works best when people are informed, engaged, and take the time to participate. All registered voters were sent a ballot and you can also vote in person. Learn more at the Secretary of State's office "[Where and How to Vote](#)" page.

## **LAST DAY OF SESSION**

Today is the last day of the 2021 California State Legislative year, which brings us to the halfway point of this biennial session. There are still many issues left and we expect both houses to work late into the night to get through the massive piles of bills still left. Look for updates on last minute actions early next week as the dust begins to settle.

### **SOLAR MANDATE FOR COMMERCIAL MOVES TO CBSC**

In late 2021, the State of California will adopt the first set of building codes in the nation that will require solar photovoltaic (PV) and battery storage for many non-residential and multi-family buildings as part of the 2022 Energy Code. This action follows a similar adoption for single family homes in 2018.

The CEC updates its code every three years and in early August 2021, its governing board adopted the 2022 Energy Code which sets building standards for new commercial construction. The new codes also expand the existing single-family home requirement to design new homes so that battery storage can easily be added to an existing system.

The Energy Code is designed to be cost-effective so that implementation is affordable while helping California manage energy demand and advance the state's climate and clean air goals.

The new codes will apply to buildings for which the permit application is submitted to the local building department on or after January 1, 2023.

The 2022 Energy Code extends PV/battery storage standards to the following building types and applies to both public and private buildings: Office, medical office and clinics, warehouses, retail and grocery stores, restaurants, high-rise multifamily (apartments and condos), hotel-motels, schools, and civic (theaters, auditoriums, and convention centers).

The PV/battery requirements are for **new construction only** and do not apply to tenant improvements or alterations of existing space nor expansions that are connected to an existing structure and add volume or square footage to the existing structure.

Recognizing that not all non-residential buildings are alike and that it is not cost-effective or technically feasible for all buildings to accommodate solar, the PV and battery requirements have exemptions for situations that include inadequate roof space, inadequate solar access, occupied roofs, roofs where PV installation is not possible/feasible, and in areas without Virtual Net Metering or a community solar program.

[Click here](#) for a one-pager you can share on this with your own leadership, peers, and members.

More information on all of this can be found here:

[CEC 2022 Energy Efficiency Standards Website](#)

[NON-Technical Summary of the 2022 Energy Efficiency Standards](#)

[Actual Code Language Adopted – PV and Battery Requirements are Pages 328-330](#)

## **SB 636 – TARGETS SHOPPING CENTERS WITH NEW EMINENT DOMAIN**

New language has been added so SB 636 that would create new authority for local governments to utilize eminent domain to create more housing by targeting REAs.

Our assessment of this new language is that although there may be some legitimate concerns with decades old agreements on some projects, CEQA is the real hurdle to advancing such projects, and this bill is taking a potentially controversial approach which may produce very limited results.

We are also concerned the notion that the bill gives the ability to determine if your properties are underutilized away from you as an owner, and gives the local government the ability to overturn existing contracts/agreements between private parties.

Over the Interim Recess we will need to engage on this bill and want to start identifying who should be in the mix. We also want to make sure that none of you are blindsided by news of this language.

You can find the new language here:

[SB 696 \(Allen\) – Expands Eminent Domain for Redevelopment of Malls / Voids REAs](#)

Please contact us if you want to provide feedback and/or be more engaged as the discussions move forward.

### **95% CARBON REDUCTION BILL – STOPPED ON INITIAL VOTE**

AB 1395 (Muratsuchi; D-Torrance) would require a 95% reduction in California's greenhouse gas emissions goal, but has no realistic framework on how it can be achieved was stopped today on an initial Senate vote of 13 aye votes and 12 no votes. The bill needs 21 votes to pass and can be taken up again later today, so the battle is not yet over.

The impact of this bill is huge on your properties. Building codes in California have always been rooted in the notion that advances in technology and incremental tightening down of the regulations will result in requirements that will pay for themselves over a reasonable period of time through reduction in utility expenses. However, the extreme goals this bill sets will disconnect any ability to keep a reasonable payback period, to the extent that has not already happened, making all of your operations from construction to management, more expensive.

This is an idea that sounds great to some on paper, but will create a nightmare for all of you that will be required to implement the aggressive goals.

You can find two letters – one from the larger business coalition [here](#), and one specific to the impact on homes/apartments [here](#).

We will continue to oppose the bill in Sacramento in hopes of stopping it from being sent to Governor Newsom.

### **BILL TARGETING WAREHOUSES MOVES TO GOVERNOR**

AB 701, a bill targeting tenants in the warehouse/logistics sector has unfortunately passed both houses of the Legislature and is on its way to Governor Newsom's desk.

Everything we buy and use moves through the manufacturing, storage, and distribution process. Whether it's our food moving from the farm to fork, or clothes from the thread to our closet, we will all pay the price for AB 701.

AB 701 is a flawed and excessively broad regulation of warehouse distribution centers, and our coalition will be making the case for a veto over the coming weeks.