

## Government Affairs Committee Second Quarter 2021 Update

### STATE OF CALIFORNIA

Policy/Issue	Description	Status / Timing
<b>Residential Landlord Funding</b>	SB 91 was passed in January 2021. The legislation establishes a program for distributing \$2.6 billion in federal rent relief funds to qualifying residential landlords and tenants to pay unpaid rent that the tenants accrued between April 1, 2020 and March 31, 2021. Deadline to apply was March 2021.	In effect
<b>Commercial Tenant Rent Relief and Eviction Protections</b>	AB 255 has been introduced as a potential replacement for the previously unsuccessful SB 939 in connection with rent relief for commercial tenants and an extension of the eviction moratorium. As currently written, a commercial tenant based in CA (with less than \$2.5M in gross revenue and less than 50 employees) can file a "Certificate of Hardship" with its landlord for rent relief due to the impact of COVID-19. The certificate must document that the hardship created at least a 50% decrease in average monthly gross revenue in the last 12 months due to the pandemic. A qualifying commercial tenant would then be provided an opportunity to negotiate with its landlord in good faith for a repayment plan of the debt as well as use the certificate as an affirmative defense against an unlawful detainer action if the landlord did not entertain such negotiations. CBPA has been working to amend this bill in order to clarify certain provisions of the current draft and to increase protections for landlords.	Ongoing
<b>Eviction Moratorium</b>	Executive Order N-03-21, signed in early March 2021, halts evictions for commercial renters impacted by the COVID-19 pandemic through June 30, 2021. The order also extends protections against price gouging for emergency and medical supplies amid the ongoing emergency response to the pandemic.	Ongoing
<b>Warehouse Indirect Source Rule</b>	In early March 2021, the South Coast Air Quality Management District ("SCAQMD") approved a new "indirect source rule" (PR 2305) that would apply to owners and operators of warehouses located in SCAQMD jurisdiction with 100,000 SF or more of indoor floor space in a single building and mobile sources associated with the warehouses. Under PR 2305, operators of applicable existing and new warehouses would be required to implement measures to reduce regional and local emissions from warehouse indirect sources (e.g., by using zero emissions trucks) and/or they would be required to pay a mitigation fee that SCAQMD would use to fund a mitigation program to achieve the emissions reductions. While PR 2305 currently only applies in Southern CA, it could establish precedent for a similar rule in the Bay Area under the auspices of the Bay Area Air Quality Management District.	Initial approval

### LOCAL AND REGIONAL

Policy/Issue	Description	Status / Timing
<b>SF Eviction Moratorium</b>	The city's moratorium on commercial evictions has been extended through June 30, 2021. If a commercial tenant misses a rent payment during the moratorium period due to Covid-19, then the landlord may not evict the tenant for non-payment until the end of a designated forbearance period (ranging from 6/30/2021 to 6/30/2023, depending on the number of employees). The moratorium, however, does not relieve the commercial tenant from the obligation to pay the rent owed.	Monitor
<b>Shared Spaces Legislation</b>	Mayor Breed announced legislation to transition Shared Spaces legislation from temporary to permanent. The program would carry forward the streamlined permit process, encourage arts and culture, and balance commercial activities with public space and transportation demands of the economy. Types of Shared Spaces include: sidewalk merchandising goods, sidewalk dining, public parklets, movable commercial parklets and community and private events spaces.	Monitor
<b>Plan Bay Area—Work From Home Mandate</b>	The Metropolitan Transportation Commission ("MTC") has withdrawn its previously proposed "Work From Home Mandate", which would have required office-based employers with 25 or more employees to have at least 60% of their employees telecommute on any given day. Instead, the MTC has proposed that its "Plan Bay Area 2050" include a requirement that companies with 50 or more employees cap car commute to 40% of their workforce by 2035.	Plan Bay Area 2050 expected Summer 2021