



**White House proposes “Opening up America Again” Plan** – The White House on Thursday issued some proposed guidance to states and local governments on how to slowly open up the American economy. The plan ([found HERE](#)) focuses on massive testing capabilities in order to identify, track and contain the COVID virus. The phased approach would provide 3 two-week gates to move communities beyond the current lockdown to a slow opening up of certain businesses and activities. It also includes some insight into what might be required of businesses (and buildings) in order to reopen. Some of the requirements could include enhanced and maintained sanitation, closure of common areas or congregation points, minimized travel, implementation of some of the “social distancing” protocols being used now for stores and other essential businesses, wearing of face masks, etc. While news reports indicate some areas of the country might get the green light soon due to the limited number of COVID cases they might have, most areas, including cities in California are likely to not see any relaxation until May. The White House plan echoes Governor Gavin Newsom’s “Roadmap to Modify the Stay at Home Order” presented earlier this week (find it [HERE](#)). The focus of all of these plans are public health and data indicating a decline in new admissions to hospitals and ICU’s as the metric for initiating the slow opening of the economy.

**SBA PPP Loan Funds Depleted** – The SBA announced yesterday that the \$376 million-dollar fund for the “paycheck protection program” or PPP has been depleted and new applications are not being accepted unless new funds are appropriated for the program. Congressional leaders are negotiating for a 3<sup>rd</sup> stimulus round of potentially \$250 million to renew the fund, but it’s unclear if and when that will happen. In the meantime, NAIOP encourages all members to speak with their lenders, or look at other options that might be available. The SBA website has some resources available [HERE](#).

**City of San Diego Launches Electronic Plan Submittal** – The City of San Diego this week announced this week it’s transition to permitting online, electronic plan submittal. This has been planned for some time, but the “stay at home” orders have placed a new emphasis on remote work and online resources. The target implementation date for the transition is May 4, 2020, although some beta testing is occurring with some users to work out the bugs in the system. The plan is for applicants to apply on-line through the “Open DSD” portal ([HERE](#)) and submit plans in PDF format. NAIOP will track implementation progress and let members know when the platform is live for use.

**City of San Diego Releases Draft Budget; Girds for cuts** – The Mayor released his draft FY 2020-2021 budget ([HERE](#)) which proposes a nearly 10% decline in annual expenditures. The proposed budget includes \$46 million in General Fund reductions across all branches, and almost \$15 million in reductions to non-General Fund expenditures to help balance the General Fund budget. Significant reductions in sales, transient occupancy (TOT) and property tax estimated at ~\$250 million for the upcoming fiscal year are driving the budget cuts. For now, enterprise fund departments, like Development Services, will continue to operate, but a hiring freeze is proposed and further cuts and reductions in services could be added when the “May revise” budget is published next month.

**REMINDER - County of San Diego Health Orders STILL in effect AND being enforced** – The County of San Diego’s health orders ([found HERE](#)), including the requirement for facial coverings for many essential

businesses. The County's health orders, also STILL require that essential businesses that have remained open and **allow access to members of the public as of April 7<sup>th</sup>** must create and post a document outlining their protocol on physical distancing and hygiene. A downloadable version of the document can be found [HERE](#).

**\*\*\*UPDATE!!!! Eviction Moratorium Ordinances** – here is a list of some of the jurisdictions in the County, including the County of San Diego for the unincorporated area, who have adopted eviction moratorium ordinances. NAIOP and other property owner stakeholders have been successful in educating decision makers on the situation facing landlords in that rent is a part of a system that pays for services like cleaning, sanitation and security, as well as obligations for loans and taxes. This list is not exhaustive, but you can click on each city to find the link to the ordinance or webpage where you can find the ordinance.

- [County of San Diego – unincorporated area – March 24](#)
- [City of San Marcos – March 24](#)
- [City of San Diego – March 25](#)
- [City of Oceanside – March 25](#)
- [City of Encinitas – April 1](#)
- [City of Del Mar – April 6](#) (Item 8 on the agenda through the link)
- [City of Carlsbad – April 7](#)
- [City of Poway – April 7](#) (Item 10 on the agenda through the link)
- [City of Chula Vista – April 7](#)
- [National City – April 7](#)
- [City of Escondido – April 8](#)
- [City of Vista – April 14](#)

**URGENT REMINDER – COMMENTS DUE TODAY - City of Encinitas – Photovoltaic (Solar) and Energy MANDATES** – the City of Encinitas is considering a new ordinance (find it [HERE](#)) for new and existing non-residential buildings mandating installation of photo-voltaic (proposed PV requirements [HERE](#)) or enhanced energy efficiency (proposed energy efficiency requirements [HERE](#)) beyond Title 24. There are several thresholds that would apply, so it's not just new buildings that would be impacted. ***ALL MEMBERS with properties in Encinitas need to look at the notice and determine the impacts to them.*** The triggers include additional square footage added to building, as well as monetary improvement thresholds in existing construction.

This is broad and far reaching. NAIOP San Diego will be providing input, but we also need our members, particularly those who reside in, own properties or businesses in or conduct business in Encinitas to provide comment back to the City to discourage this mandate.

The city notice is below, and we've included some messaging for your use. If you have any knowledge of direct cost and feasibility, it would be good to include that in your response. And, if you are a constituent, either as a resident or a business owner in the City, you should identify that in your communication.

Message points:

- The State of California's energy efficiency requirements are some of the most stringent in the world
- These requirements include stringent energy efficiency mandates for both new construction, as well as tenant improvements, so a city centric mandate is not necessary
- The requirement for solar installation is costly, and, in most cases, not feasible, as most commercial roof tops do not have the space available to meet the requirements for energy generation under this ordinance

- Roof tops already have HVAC equipment, fire and life safety equipment, building maintenance equipment, as well as screening and other architectural features that make roof top installation infeasible
- The region is also building out large scale sustainable energy production, both in wind and solar, and that production is both more cost effective, as well as more sustainable from an energy production standpoint
- Our energy rates are already paying for these large scale solar and wind energy projects, so this would be an additional, unfunded cost to jobs creators and small business
- For those who can comply, this new mandate will increase rent on small businesses and jobs creators in Encinitas
- Given the current economic situation facing the world, let alone Encinitas, this is not the time, nor the right policy, as it will increase the cost of both new construction, as well as renovation, and for the properties that can actually meet these goals, will also add to the cost of rent for tenants in these properties
- Please reject this new and unnecessary mandate on jobs creation and support your Encinitas business community

NAIOP will be providing comments to the City, but it's important for city business leaders and residents to make their voice heard. Public comments can be made by email to: [ClimateAction@encinitasca.gov](mailto:ClimateAction@encinitasca.gov).

***Comments are due by April 17th.***

#### **REFERENCE LIST:**

**County of San Diego COVID-19 Resource Page – [LINK HERE](#)**

**City of San Diego COVID-19 Resource Page – [Link HERE](#)**

**US Federal Government COVID-19 Resource Website – [Link HERE](#)**

**US Small Business Administration COVID-19 Resource Page – [Link HERE](#)**

**US Federal Reserve COVID-19 Resource Page – [Link HERE](#)**

**State of California COVID-19 Resource Website – [Link HERE](#)**

**Essential Services** – There has not been any further change to either the definitions or the rules for “essential services” as previously defined by [Governor Newsome’s Executive Order](#) (EO) to “stay at home” issued on March 19, 2020. The EO provided guidance on “Essential Critical Infrastructure Workers” and pointed to the [federal guidance](#) on “essential critical infrastructure workforce” contained within the EO by reference. That was updated on March 28<sup>th</sup>, but did not change the applicability for commercial real estate. Find the updated CISA document [HERE](#).

For now, at the local, state and federal levels, NAIOP Corporate and NAIOP CAL, in addition to our local team, are working to make sure our members continue to be seen as essential, since our services include economic resiliency and sustainability. We are also working to make sure that local government operations related to our members’ needs, like planning, permitting and inspections also continue.