



CORONAVIRUS (COVID-19) Updates and Resources

COMMERCIAL REAL ESTATE DEVELOPMENT ASSOCIATION

NAIOP

COMMERCIAL REAL ESTATE
DEVELOPMENT ASSOCIATION

SAN DIEGO CHAPTER

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NAIOP San Diego Friday Update | August 14, 2020

NEW – California Judicial Council votes to end temporary rules on evictions and foreclosures – the California Judicial Council took action yesterday to end its temporary rules that stopped all court actions statewide on evictions and foreclosures (see [HERE](#) for release). In its statement, the Council noted that they acted in order to provide the legislature and Governor the time to address these issues and that sufficient time has now passed and the rules preventing court hearings and actions will end at midnight September 1, 2020. The action will likely spur the legislature to quickly consider legislation currently pending, including SB 1410 (Atkins - Caballero). SB 1410 would prohibit evicting tenants from residential properties as a result of the pandemic and provide tax credits back to property owners to help offset costs as a result. For more information on SB 1410, please click [HERE](#). NAIOP will continue to monitor the other bills pending, including ones those impacting commercial properties that have been tabled, like SB 939.

NEW – President signs new executive orders to address pandemic related economic issues – the President earlier this week signed an executive order and three other actions to address pandemic related economic issues as the White House and Congress continue to be at impasse over the next round of stimulus funding. The measures include a deferral of payroll taxes through the end of 2020 for those earning less than ~\$104,000/year, extending the federal unemployment bonus at an amount of \$400 (with \$300 coming from the federal government and \$100 to come from the state in which the person resides), direction to his departments to consider eviction bans, as well as finding more money for rental aid. It also included action to defer student loan payments until the end of the year. It's unclear the legality of these actions, and whether it would spur Congress to act. For more information, please click [HERE](#).

NEW – County elaborates on pandemic rules enforcement actions – the County of San Diego elaborated this week on the tools available to enforce compliance with the region's public health orders. It includes education, by having their enforcement teams visit businesses. For those businesses that don't comply, serving them with a cease and desist order, which could escalate to closing the business or issuing a citation and fine of up to \$1,000. The county has been working in partnership with the 18 cities and their respective law enforcement departments within the county to enforce compliance.

NEW – County continues to edge closer to getting OFF the state watch list – the County of San Diego announced that it continues to decline in one of the key triggers that got the County on the state "watchlist" earlier last month. The County has now been down below the 100 positive tests per 100,000 of population for 2 consecutive days (of the 3 required). As a result, the County could, if off the state watch list for 14 consecutive days, open schools. The County has identified other triggers of concern, that will continue to prevent any broader reopening, including the continued persistent "community outbreaks" above the trigger level of 7 or more over 7 days. For more information, please click [HERE](#).

NEW – SANDAG Board considers new Regional Transportation Plan (RTP) – the SANDAG Board of Directors will conduct a public review today of the newly proposed transportation plan created by its staff under the leadership of Executive Director Hassan Ikhata. The plan has become a point of debate between urban, suburban and rural representatives on the SANDAG Board. The plan proposes 350 miles of heavy and light

rail, in addition to fewer road projects that were part of the previous RTP, at a cost of approximately \$177 billion. To pay for this, Executive Director Ikhata has suggested a combination of a 1-cent increase in the sales tax, as well as potentially charging for automobile use of the regional transportation system (e.g. tolls). For more information on the plan, please go [HERE](#).

REMINDER – City of San Diego Energy Benchmarking deadline approaches – the City of San Diego’s requirement for commercial, mixed use and multi-family properties over 50,000 square feet to report whole building energy consumption was extended to September 1, 2020. The City is encouraging all qualifying building owners and/or their managers to make note of the reporting deadline and comply. For more information, please click [HERE](#). The City will also has recorded informational webinars recorded, which you can access by going to the same weblink ([HERE](#)).

REMINDER – County of San Diego mandates business notify the County of positive COVID tests – the County of San Diego updated their public health orders to now require employers to report positive COVID tests. The County has set up a hot line at (888) 950-9905. Employers will be asked for name and contact information, name of business or entity and employees name, date of birth and contact number. This follows the County’s update from last week that requires employers to notify all employees and customers of a “community outbreak” at that business. For more information, please go [HERE](#). The County’s public health order can be found [HERE](#).

REMINDER – County updates rules to conform with CDC guidance on testing to return to work – based on new guidance from the Centers for Disease Control and Prevention, the County of San Diego has updated their health order and no longer recommends that employers require employees who tested positive for COVID-19 to be tested again before they can return to work. People with COVID-19 who have mild to moderate symptoms and were directed to care for themselves at home may discontinue isolation under the following conditions:

- At least 10 days have passed since symptoms began, have not had a fever for 24 hours without taking fever reducing medications and other symptoms have resolved.
- A limited number of people who have severe or critical illness or are severely immunocompromised are recommended to wait 20 days after symptoms developed and one day after fever resolution and improving symptoms.
- People who are severely immunocompromised but have no symptoms can leave isolation after 20 days after testing positive.
- People who tested positive for the novel coronavirus but never developed symptoms can stop isolation and other precautions 10 days after the date of their first diagnostic positive test virus.

For more information, please click [HERE](#).

REMINDER – San Diego County STILL on the state watch list – the County of San Diego, while improving, is still on the State of California’s watch list, meaning the order for closure of indoor activities remains in effect. You can find the state announcement [HERE](#). The continued rise in positive COVID testing and the concurrent rise in hospitalizations in many counties is driving the pulling back of re-opening. The order for all county compliance went into effect July 13th. San Diego County’s official order went into effect July 15th and will last indefinitely. Under the orders the following industries or activities must cease unless they can be modified to operate outside or by pick-up. They include:

- **Offices for non-essential sectors**
 - Fitness centers
 - Worship services
 - Protests
 - Personal care services, like nail salons, body waxing and tattoo parlors

- Hair salons and barbershops
- Malls

For more information, and to see what's open and not open please refer to the County's updated resiliency webpage [HERE](#).

REMINDER – City of San Diego has BEGUN FULL enforcement of city parking regulation enforcement on August 1st – the City of San Diego has begun full enforcement of city parking regulations.

REMINDER – PROP 15 (SPLIT ROLL) Initiative has been placed on the State of CA Fall 2020 Ballot – Proposition 15 (this is the SPLIT ROLL measure (the second one that recently qualified; the other one that previously qualified was withdrawn)) sponsored by the CA Teachers Association, SEIU and the Chan-Zuckerberg Initiative has been placed on the November 2020 ballot. The measure would split the property tax rolls between residential and commercial properties, reassess eligible commercial properties to current market value and, then, reassess those properties every three years. It is estimated that this would be a nearly **\$12 BILLION tax increase** that will impact small businesses and tenants. For more information on the opposition campaign to protect Prop 13 and commercial properties, as well as ways you can help, including **FINANCIAL CONTRIBUTIONS**, please go to the Stop Higher Property Taxes committee webpage [HERE](#).

REMINDER – County of San Diego small business relief program – the County of San Diego Board of Supervisors approved last week a \$17 million small business stimulus grant program utilizing federal CARES Act funding. This program provides \$17 million in CARES Act Coronavirus Relief Funds to eligible for-profit and non-profit businesses suffering financial hardship due to the COVID-19 pandemic. **Eligible for profit and non-profit businesses need to submit their application by October 16, 2020 but are encouraged to apply early as funding is subject to availability.** For-profit and nonprofit businesses can apply for grant money if they can show their losses and costs are a direct result of the COVID-19 pandemic. To qualify a business must have:

- 100 or fewer employees
- Headquarters in San Diego County
- A minimum 1-year operating history as of February 14, 2020
- Documentation of financial hardship because of COVID-19 pandemic

For more information, including the application, please go to the County's website [HERE](#).

REMINDER – City of San Diego expands “Rapid Review” process for minor permit approvals – the City of San Diego has announced that rapid review is **NOW** available for certain types of electronic permits submittal digitally (for more information go [HERE](#)). This replaces the “over the counter” review process previously used by applicants. The types of projects NAIOP's members might submit are:

- Construction permits for minor interior remodels for commercial tenant improvements
- Standard public improvements as identified on Information Bulletin 165 (link [HERE](#))

REMINDER – City of San Diego NOW requires ALL new development applications and submittals to be processed ONLINE – AS OF JULY 1, 2020, the City of SD is now requiring ALL NEW applications for permits and approvals to be submitted online. In an effort to improve operational efficiency, **no new** applications will be accepted in paper form. Requests for construction changes will also be required to submit digitally. Applications received before July 1 may continue to be processed in paper form. Learn more by clicking [HERE](#).

REMINDER – City of San Diego changes “STAMP TRANSFER” process – the City of San Diego recently announced that they are changing the internal “stamp transfer” process for paper submittals. This is due to the public closure of DSD and problems DSD and customers, including NAIOP San Diego, have identified in

getting these transfers tracked and completed in a timely manner. **A new pink “Stamp Transfer Drop Off” form should be used in lieu of the goldenrod colored “Project/Issue Drop Off” form.** The form contains clarifying information and reminders specific to the stamp transfer process intended to help ensure more accurate submittals that will save both staff and customer time and improve efficiencies. For successful processing, the City’s announcement notes, it is important to follow all instructions on the form. You can find a link to the new form [HERE](#).

REMINDER – the NAIOP negotiated inclusionary housing regulations for the City of San Diego **NOW** in effect – the City of San Diego’s adopted changes to the City’s Inclusionary Affordable Housing regulations **are now** in effect starting July 1, 2020. The updated regulations will be implemented incrementally so they are fully effective by July 1, 2024. The updated regulations apply to residential developments of 10 or more dwelling units and condominium conversions of two or more dwelling units, with some exceptions. They do NOT apply in the Coastal Zone but will be considered by the California Coastal Commission soon. For more information, please click [HERE](#).

REMINDER – County of San Diego maintains **PAUSES** for future re-opening due to increased community outbreaks **INDEFINITELY** – the County of San Diego Public Health Officer, Dr. Wilma Wooten, as a part of this week’s actions, noted that reconsideration of current closures will be determined as the County’s trigger thresholds are no longer exceeded. An updated version of the County’s Public Health Order can be found [HERE](#).

REMINDER – City of San Diego offers online zoning and parcel information map – the City of San Diego has launched its NEW Zoning and Parcel Information Portal (ZAPP – find link [HERE](#)). This portal is intended to make it easier for customers to research real time zoning and property information 24 hours a day, 7 days a week. The interactive portal allows customers to review multiple layers of information, including assessor parcel numbers, zoning maps, City Council districts, school districts, historic districts, fire risk areas, earthquake fault buffers and various regulatory areas.

REMINDER NOTICE – Previously adopted City of San Diego development fees have increased, effective July 1, 2020 – Adopted three years ago, the City announced that the next **planned increase of 6.2% is now effective as of July 1, 2020.** According to the City, the increase will allow the Development Services Department (DSD) to meet established levels of service, provide full cost recoverability and provide sufficient resources to continue to improve the quality of the mandated regulatory review process. The increased fees will apply to all projects submitted on or after July 1, 2020. For the City’s Public Information Notice on the fee increase, please click [HERE](#). Information Bulletins containing fees are in the process of being updated and will be posted to the DSD web site as they become available, but no later than July 1, 2020.

REMINDER – County of San Diego Clarifies rules on health screening – The County updated and posted its written Health Order, last week, effective May 10th, which includes the newly clarified provisions for either temperature checks **OR** health screening when equipment isn't available, as well as the facial covering provisions for businesses **WHEN** you’re within six feet of someone else noted above. You can read the Health Order [HERE](#).

REMINDER – High-risk groups, **INCLUDING essential infrastructure workers**, can be tested for COVID-19 – the County has expanded their recommendations for testing in San Diego, including for “high-risk” groups. **This includes anyone in an “essential infrastructure” occupation (more information [HERE](#)).** In order to get tested at a hospital, health care provider or one of the County’s testing sites, individuals who fall into any of these expanded testing categories should contact their doctor or call 2-1-1.

REMINDER – City of San Diego COVID-19 construction site protocols – effective April 24, 2020, the City of SD is requiring all active construction sites within the City follow new safety protocols to protect the health and safety of construction workers. The protocols include guidance on tenant improvement projects based upon input from NAIOP and other commercial real estate construction experts. The key rule is social distancing with

a minimum separation of 6-feet. Construction industry employers must develop a comprehensive COVID-19 “exposure control plan” which includes social distancing, symptom checking and reporting, hygiene, decontamination procedures and training. Additionally, gatherings of 10 or more people are prohibited at any time on the job site. Click [HERE](#) to view the construction site protocols.

REMINDER – County of San Diego Health Orders **STILL in effect AND being enforced** – Please continue to follow the County of San Diego’s health orders ([found HERE](#)), including the “stay at home” orders for those not in an essential business or newly opened non-essential businesses. These orders include the requirement for facial coverings in public or at work and within six feet of another person not in your family. The County’s health orders, also require that **essential** businesses complete and post their checklist (see link [HERE](#)) AND **non-essential** businesses that can operate must create and post a **DIFFERENT** “Safe Reopening Plan” or SRP. A downloadable version of the SRP template can be found [HERE](#). If you are an essential business, you do NOT need to complete, distribute to employees and post an SRP, but you do need to complete a “Social Distancing and Sanitation Protocol” checklist linked above.

REMINDER – County of San Diego mandates **FACIAL COVERINGS in public and at work starting MAY 1st (when you’re within in six feet of someone)** – the County of San Diego has mandated that facial coverings be worn when in public and within six feet of another person not in your immediate household. This includes when you’re working in either an essential job or a job in a non-essential business that has been allowed to open, again, when you get closer than six feet to another person who is not a member of your direct, household family. The requirements can be found [HERE](#).

REMINDER – San Diego Superior Court services remain **CLOSED** until an estimated re-opening on May 26th. Until then, nearly all court services, except for some criminal case processing and **consideration of temporary restraining orders** are suspended.

REFERENCE LIST:

State of California *Resilience Roadmap* Page (including industry specific guidance and checklists) – [LINK HERE](#)

State of California COVID-19 County Variance Attestations (list of all CA Counties and their specific attestation plans) – Link [HERE](#)

County of San Diego Public Health Order – Link [HERE](#)

County of San Diego’s SPECIFIC VARIANCE ATTESTATION PLAN – Link [HERE](#)

County of San Diego Essential Business *Social Distancing and Sanitation Protocol* Template – LINK [HERE](#)

County of San Diego *Safe Reopening Plan* (SRP) Template for NON-ESSENTIAL businesses – LINK [HERE](#)

[County of San Diego Restaurant/Food Facility Operating Protocol Template – Link HERE](#)

[County of San Diego Hair Salon/Barber Shop reopening protocols – Link HERE](#)

City of San Diego COVID-19 *Construction Safety* Protocols - [LINK HERE](#)

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

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

City of San Diego DIGITAL DSD (Development Services Department) Webpage (for online permitting and submittal) – Link [HERE](#)

County of San Diego REOPENING PLAN Attestation Document – 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 28th but did not change the applicability for commercial real estate. In short, office buildings are still allowed to be open, but certain tenants and tenant functions may not be allowed to occur. Each tenant should individually verify whether they can open (as an essential or non-essential business). For reference to the federal government’s definition of what constitutes an “essential service”, please 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 operate, and their tenants get back to work as soon as safely possible. We are also working to make sure that local government operations related to our members’ needs, like planning, permitting and inspections also continue.