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Gravity Could Solve Energy Storage Problem

TECHNOLOGY: Idealab firm caters to electric utilities.

By **MARK R. MADLER** Staff Reporter

Energy Vault Inc. has a new old way to store energy.

The Westlake Village company builds towers with cranes to raise and lower heavy blocks. When wind or solar installations generate power, the blocks are raised. When solar or wind power

is not directly available, the blocks are lowered to spin turbines that produce electricity.

The gravity-based system for utilities has fewer maintenance costs compared to batteries. Investors have put more than \$400 million into the company, which started at Idealab in Pasadena. And a deal with a special purpose investment company could put Energy Vault on the New York Stock Exchange by early next year.

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High Tower: Energy Vault cranes.

AI Could Help Your Network

SOFTWARE: Ferret secures funds for reputation platform.

By **ANTONIO PEQUEÑO IV** Staff Reporter

Robert Loughan is the founder and chief executive officer of Ferret, a Calabasas company and platform that allows users to evaluate the reputations of their social and professional networks using an AI-powered mobile app.

His goal with Ferret: Democratize swaths of data typically accessed only by large corporations.

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Brokers See Better Times

LIST: Agents look forward to rebound in office and retail.

By **SHARIFAH CHAMMAS** Contributor

Commercial real estate brokerages in the San Fernando Valley survived the pandemic on the strength of industrial and multifamily properties – and now office and retail are on the mend.

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Employers Seek COVID Clarity

REGULATION: New federal rules remain a work in progress.

By **KATHERINE TANGALAKIS-LIPPERT** Staff Reporter

Ahead of the implementation of new federal vaccination mandates, local employers have plenty of questions.

The federal rules will require all workers at businesses with 100 or more employees to

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Beer Buddies: Jaime Hernandez, left, and Tony Santa Cruz.

STARTUP CULTURE

Hispanics create more businesses than other groups.

It sounds like the opening line for a joke: Two guys who work at the phone company both love beer.

But for Jaime Hernandez and Tony Santa Cruz, it changed their life. Together they started Telco Brewery in Santa Clarita, one example of the explosion of Hispanic startups in the current U.S. economy.

According to a study by Stanford University, the number of Hispanic busi-

ness owners has grown 34 percent during the last 10 years, compared to just 1 percent for all other ethnic groups.

Cultural affinity often sets the stage for entrepreneurship, as in the case of Telco Brewery. Santa Cruz said he "always had dreams of having a bar or restaurant." Hernandez noted he "didn't know how to brew." But together they have a tap room and canning operation.

"We feel incredibly proud to be business owners and love to network with other Hispanic business owners," Santa Cruz explained. "While we are among great company with the existing brewers in Santa Clarita, we are the only Hispanic-owned brewery, which is significant in a community that has a large Hispanic population."

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PHOTO BY DAVID SPRAGUE

THE LIST

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CONSTRUCTION PROJECTS
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Artificial Intelligence for Loan Disparities

Mike de Vere, right, has turned Zest AI from subprime lending to improving credit score equity.

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Merger Mania Appeals to Chambers of Commerce

Neighboring business organizations combine in Ventura County and the Antelope Valley.

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Regulation: Business Awaits Federal Vaccine Rules

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be vaccinated against or regularly tested for COVID-19.

"The second President Biden made his announcement, we started getting calls from employers that were concerned about having to force the vaccination, or what the rules might say," **Ryan Haws**, an employment attorney with the Camarillo firm **Light Gabler**, said. "And I think the biggest frustration is that they don't know what the rules are."

President **Joe Biden** announced on Sept. 9 the administration's orders to the Occupational



Ryan Haws

Safety and Hazard Administration (OSHA) to develop a new Emergency Temporary Standard that will apply to all U.S. businesses with 100 or more employees. While details of the official guidelines have not yet been released, the mandate will dictate all employees be fully vaccinated against COVID-19 or undergo weekly testing for the virus, a requirement which impacts about 80 million people. Exceptions will be made for those who have a medical condition or sincerely held religious belief which prevents them from receiving the vaccine.

Also impacted by the mandate: A further 17 million workers employed in health care facilities that receive Medicare or Medicaid funding, several million employees of the executive branch and contractors who do business with the federal government. All will be required to receive the vaccine and will have no option to test out. Employers across sectors must provide paid time off for employees to receive the vaccine and will be subject to \$14,000 fines for violations of the order.

The emergency standard may remain in place for six months, after which it must be replaced by a permanent OSHA standard, the implementation of which follows a more formal rulemaking process.

'Thin labor market'

In the Valley, employers such as **Amgen Inc.** in Thousand Oaks and the **Walt Disney Co.** in Burbank have already announced and implemented similar policies following guidance from the Equal Employment Opportunity Commission (EEOC) and will have to determine if

their internal rules are compliant with the new mandate.

"Everyone is kind of concerned as to what is going to happen next. Some of the concerns that my clients have in particular is who's going to pay for it," Haws said. "They're also concerned that if they are forced to mandate the vaccine for their employees, and they have employees who refuse – not necessarily because they have a medical or a sincerely held religious accommodation issue but because for whatever reason they don't want to be vaccinated – that they're going to lose employees. And it's already a thin labor market."

Also, the changing rules regarding masks, social distancing and vaccines have been a source of ongoing frustration for business owners and human resource departments trying to navigate health challenges while maintaining their companies.

"This entire COVID process has been a limbo for HR people. Because if you really think about it, going back to March 2020, especially here in California, we have had competing voices as to who's in control of human beings," **Mark Wilbur**, chief executive of HR consultancy **Employers Group**, said. "One of the challenges is that you've got things coming from Washington, D.C., things coming from the CDC, the governor's office, the legislature, the counties, the cities and then Cal OSHA. And keep in mind, every one of those voices is thinking they're in charge and implementing things that are oftentimes at cross purposes with each other."

Stuart Waldman, president of the **Valley Industry & Commerce Association** in Van Nuys, said the organization's board recently discussed vaccine mandates when the city of Los Angeles began to consider the policy for indoor businesses and public spaces, prior to the announcement of the federal rule.

"The conversation really pointed to wanting consistency, wanting the businesses to have a consistent plan that was uniform, and I think that's what (the federal mandate) does," Waldman said.

Most business owners, he said, are tired of inconsistent rules and just want to keep their doors open.

"It also takes the onus away from the business. Because in many cases, you have businesses that were instituting policies requiring vaccination, and they were immediately getting sued, which is extremely costly. But when it's the government making that decision, to be vaccinated or required testing, it frees up the business and then also keeps the business from getting sued for that policy."

Exemptions

The two exemptions for the mandate will be for medical conditions and sincerely held religious beliefs that prevent an employee from being vaccinated for COVID-19. For employers, navigating exemptions based on these grounds can be difficult due to employee protections granted through the EEOC, which open the business up to lawsuits if violated.

"The disability exemption is easier for em-

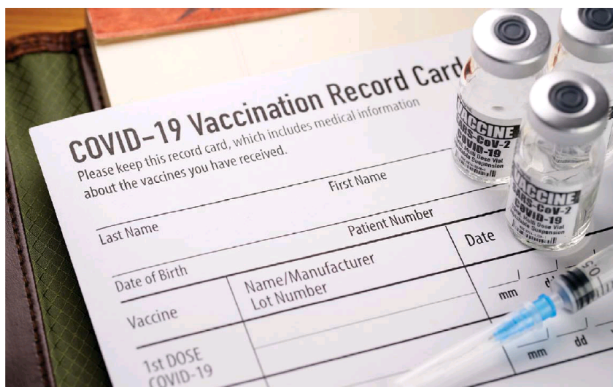
ployers to understand and process. The employer can provide their employees a certification form and ask their healthcare providers to fill it out. Without disclosing the diagnosis, the healthcare provider would confirm there is a genuine medical reason why this person can't get the vaccine," **Sue Bendavid**, employment attorney for the Encino firm, **Lewitt Hackman**, said. "For religion, it's more complicated because the EEOC has issued guidance which says the employer should ordinarily assume that an employee's request for a religious exemption is based on a sincerely held religious belief. Absent an objective basis for questioning the sincerity of a particular belief, the employer should not second guess the employee. We are, in essence, to assume the belief is sincere and genuine because the definition of "religion" is broad and protects beliefs which may be unfamiliar. I've had employers ask me 'Can we get a note from a pastor or from a rabbi?' Or from a priest or other cleric? But the answer is usually no – absent objective evidence – the EEOC seems to indicate you are to presume the employee is telling you the truth."

Still to be determined will be the federally mandated procedures for workers who remain unvaccinated, with an exemption or not. Rules surrounding reasonable accommodations, such as remote work, also remain undetermined. In preparation, employers are beginning to craft internal policies to determine how to handle such cases.

"For those employees that have not complied by the stated deadline, and don't have a religious or disability exemption, some clients have been electing to suspend employment; pending receipt of proof of vaccination," Bendavid said. "For example, some employers have told employees 'we're going to suspend your employment for 30 days to give you time to provide the required proof.' Other clients are choosing to terminate relying on the applicable governmental orders which mandate vaccines in certain industries, saying 'the law says you have to be vaccinated and unless you submit proof or have an exemption, we have no choice but to part ways.'"

Until the final details of the federal OSHA ETS are announced, businesses in the region remain in limbo between existing EEOC and Cal OSHA guidelines which currently set the rules requiring masks for unvaccinated employees.

"I do anticipate that the fallout is going to be coming as people start to realize what the requirements are," Waldman said. "Especially the ones where there's a complete vaccination requirement."



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ON THE MOVE

PEOPLE & COMPANIES



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