

# CBPA CALIFORNIA 2016 YEAR-END WRAP UP



During the 2016 legislative session, CBPA had great successes on a number of key issues. They include implementation of major reforms to the state's ADA law, stopping efforts to advance split roll property tax, reforming the way building codes are written, and helping shape state water efficiency standards. Below are just some of the highlights from 2016.

**LEGISLATIVE/POLITICAL EVENTS** – CBPA leadership participated in several high-level events which gave them access to peers and policymakers. Starting in January CBPA hosted a Candidates Luncheon in Sacramento which was attended by several candidates seeking election in competitive seats. In April, we hosted a Legislative Meeting at which CBPA members were able to weigh in on industry positions on over 400 bills. In June, we hosted the “California Commercial Real Estate Summit,” in which real estate leaders met with Gubernatorial staff and over 1/3 of the Legislature. In November, we hosted the “Industry Awards Dinner” at which over 200 of the top real estate leaders gathered to honor high achievers in our industry. Additionally, CBPA staff from Sacramento have presented at a wide variety of industry events to thousands of members of the real estate industry to brief about issues in Sacramento.

**LEGISLATION** – On behalf of the commercial, industrial, and retail real estate industry, CBPA engaged on 446 pieces of legislation in the CA State Capitol. A full listing of bills, positions, and outcomes have been provided under separate cover.

**REGULATIONS** – On behalf of the commercial real estate industry, CBPA engaged regulatory agencies ranging from the Department of Water Resources, California Energy Commission, Public Utilities Commission, Air Resources Board, Building Standards Commission, State Architect and Department of Finance on a range of policies, such as energy efficiency, greenhouse gas regulation, land-use and recycling. This year a lot of time was spent on Energy Issues.

**SPLIT ROLL BILL DEFEATED** – SCA 5 (Hancock; D-Berkeley)/(Mitchell; D-Los Angeles) sought to remove the protections of Proposition 13 by targeting commercial property owners to increase property taxes by triggering a “current fair market valuation” instead of the current acquired value.

**SPLIT ROLL TAX BALLOT MEASURE** – CBPA is an Executive Committee member of the political effort to push back against the myriad of groups attempting to put a split roll measure on the ballot. After more than two years of rebutting arguments with editorial boards, at school board meetings, and a statewide education campaign, and defeat of SCA 5, leaders of the “Make It Fair” campaign have officially abandoned efforts to push a ballot measure in 2016. This action will save industry members from a multi-million dollar budget battle on the 2016 ballot.

**ADA REFORM – TIME TO FIX NON-ACCESS VIOLATIONS** – California has 40% of the nation's ADA lawsuits but only 12% of the country's disabled population. Therefore we have played a key role in sponsoring and supporting a package bills that reform ADA in California which made it to the Governor's Desk. SB 269 (Roth) was a significant reform in California, which, among other things, gives businesses a chance to address and fix certain violations before a lawsuit can proceed.

**ADA REFORM - CASp LEASE LANGUAGE** – AB 2093 (Steinorth ) fixed ADA lease language that has prevented many from utilizing the CASp program because the former statutes sweeping requirements for disclosure. The revised statute will facilitate more property owners to seek a CASp certification in order to assure their properties are in compliance with the law increasing access and lessening the number of unnecessary lawsuits while eliminating onerous and unnecessary disclosure requirements.

**CALIFORNIA COMMISSION ON DISABILITY ACCESS VP** – Through previous legislation we helped establish the California Commission on Disabled Accessibility that promotes and facilitates disability access compliance. CBPA works directly with the Governor's Office to name our industry representative to this board, which is currently CBPA Boardmember Doug Wiele. Doug was elevated to Vice President of the Commission this year for a second time.

**ENERGY CODE: LIGHTING CONTROL REFORMS** -- Energy Commission, Docket No. 15-BSTD-01 was adopted to address issues related to the 2016 Building Energy Efficiency Standards Lighting Retrofit Code. As California's energy code has lead the way in the nation making sure that our buildings are the most efficient in the country, from time-to-time regulations may not work out in the real world as they do on paper. These lighting retrofit requirements in question turned out to be more complicated, burdensome, and expensive to implement than expected when the Commission adopted the package.



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**BENCHMARKING REGULATIONS** – As a primary proponent of AB 802, we helped repeal the flawed AB 1103 regulations and put more flexible regulations in place. The new law keeps the benchmarking requirements but removes the statutory requirement benchmarking be completed during escrow, limits it to buildings over 50K s.f., allows the commission to exempt certain buildings, and delays the requirement until 2017.

**SINGLE USE BATHROOM BILL** – CBPA worked closely with the author to assure workable language was inserted into the bill, but remained neutral because we don't like to see building code set in statute. The bill requires all single-user toilet facilities in any building to be designated as an all-gender toilet facility. Signed into law, using language our industry believes can be implemented without inducing lawsuits or incurring unreasonable expenses.

**ANTI-DEVELOPMENT BILLS DEFEATED** – We helped defeat two bills that would have fundamentally changed the way our industry petitioned the Coastal Commission and were meant to further tip the scales in favor of anti-development activists. SB 1190 (Jackson D) would have made it much more difficult for land owners in the Coastal Zone to petition their government and navigate the permit process; while AB 2002 (Stone D) sought to require a California Coastal Commission member to fully disclose in writing 24 hours before a commission hearing any *ex parte* communication conducted within 7 days of the commission hearing.

**HOMELESS CAMPING BILL DEFEATED** – AB 718 (Chu D) a bill that sought to undermine local agencies from enforcing ordinances that prohibit people from sleeping or resting in a parked motor vehicle (including in your parking lots) overnight was defeated late in the session. The commercial real estate industry worked closely with partners from local government and law enforcement to make the case this bill is not a viable policy for reducing homeless issues and would probably exacerbate the problem.

**AIR RESOURCES “STACKING” BILL DEFEATED** – One of the most closely followed and hotly contested bills was SB 1387 (de Leon D) a bill in which our industry, along with a broad array of other business and local government entities vociferously oppose died in the final hours of session. The bill would have substantially and adversely modified the use of market-based incentive programs, and; SB 1387 would have added state-level appointed positions to the South Coast Air Quality Management District Board (SCAQMD), effectively shifting local control over critical regional air quality planning to state law-makers in Sacramento.

**CLRRA REAUTHORIZATION** – SB 820 (Hertzberg D) a bill we supported was signed into law extending the California Land Reuse and Revitalization Act to 2027. CLRRA is an important tool in cleaning up urban sites for new development.

**WATER “SHAMING” BILL DEFEATED** – AB 1520 (Stone, Mark D) Water shaming bill. This bill requires the release of private information on water use within certain buildings in an effort that will lead to “public shaming” of those buildings and companies therein.

**TOILET REPLACEMENT BILL DEFEATED** – We led the effort to defeat AB 2555 (Levine D) a bill that was pushed by a toilet manufacturing company and would have required the upgrade and replacement of all toilets manufactured after 2010 under the guise of “water efficiency.”

**ELEVATOR VARIANCE BILL VETOED** – A bill opposed by the commercial real estate industry, AB 1050 (Low D) dealing with occupational safety and health statute regarding permanent variances, was vetoed by Governor Brown.

**PARCEL TAX NOTIFICATION BILL** – A bill supported by CBPA, AB 2476 (Daly D) was signed into law that now requires public agencies seeking voter approval of parcel taxes to send specified information to nonresident landowners within 30 days of enacting the ordinance.

**AFFORDABLE HOUSING/DEVELOPMENT BONUS BILLS** – A bill strongly supported by CBPA, AB 1934 (Santiago D) was signed into law which will create a “development bonus” for commercial property owners that partner with an affordable housing project to construct a mixed-use development was signed into law by the Governor. This bill will create more affordable housing and more compact developments which has been a driving factor to many of the policies signed into law over the past few years. This bill will create an incentive and provide a small tool to help attain those goals by specifying that the development bonus granted to the commercial property owner working with the affordable housing project will produce significant cost reductions over the maximum allowable intensity in the general plan.



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