

2023 ANNUAL REPORT





2023 ANNUAL REPORT

TABLE OF CONTENTS

Opening Message	Page 1
Board and Staff Roster	Page 2
<i>Stronger Together</i> Flyer	Page 3 - 7
BOMA California at Industry Events.....	Page 8
BOMA Local Event Snapshot.....	Page 9 - 10
2024 Calendar of Events.....	Pages 11
BOMA PAC Update & Fundraising Q & A	Pages 12 - 13
Annual Legislative & Regulatory Update.....	Pages 14 - 20



BOMA CAL YEAR IN REVIEW

Greetings BOMA Members!

If you're reading this message, you're checking out BOMA California's Annual Report – a recap of our organization's 2023 activities. It's been a year of progress and growth for BOMA California, none of which would be possible without your continued membership with BOMA, and our dedicated Executive Committee, Board of Directors, and staff in Sacramento.

This year we continued to make progress on our strategic plan. We've amped up our outreach to local associations, established our Political Action Committee Board and increased fundraising efforts, held our first virtual BOMA CAL 101 training, had a strong presence at the 2023 California Commercial Real Estate Summit and Strategic Issues Conference, and launched a new website and LinkedIn page. All of this was accomplished on top of the continued work of our legislative advocates protecting our industry in Sacramento.

In the following pages you'll learn more about BOMA California's activities and accomplishments in 2023. You'll find a board and staff roster, the new *Stronger Together* handout highlighting our work, event recaps, photos, PAC information, our annual legislative and regulatory update, and more.

Thank you to everyone who helped make 2023 a success – we truly are stronger together. Here's to another successful year in 2024!

2023 LEADERSHIP



PRESIDENT

Tom Magnussen
Paragon Services
San Diego



VICE PRESIDENT

Sarahann Shapiro
Spencer Fane, LLP
Silicon Valley



SECRETARY

Glenn Good
Glenn Good Group
San Francisco

TREASURER

Desiree Lavin-Glover
Tiarna Real Estate Services
Inland Empire



Becky Rios

Edgewood Realty
Partners, LLC
Greater Los Angeles



Liz Despina

Newmark
Oakland/East Bay



Ellen Ticknor

Seide Law
Orange County



David Mastro

Sacramento



2023 BOARD OF DIRECTORS AND STAFF ROSTER

EXECUTIVE COMMITTEE

PRESIDENT

Tom Magnussen, Paragon Services (San Diego)

VICE PRESIDENT

Sarahann Shapiro, Spencer Fane, LLP (Silicon Valley)

TREASURER

Desiree Lavin Glover, Tiarna Real Estate Services (Inland Empire)

SECRETARY

Glenn Good, Glenn Good Group (San Francisco)

Greater Los Angeles

Becky Rios, Edgewood Realty Partners, LLC

Oakland East Bay

Liz Despins, Newmark

Orange County

Ellen Ticknor, Seide Law

Sacramento

David Mastro

DIRECTORS & LOCAL STAFF

Greater Los Angeles

Althea De Pietro, De Pietro Holdings
Lea Sandoval, Kilroy Realty Corporation
Brian Wilson, UL
Dan Cote, National Real Estate Development
Michele Ware (BAE)
Blake Perez (Staff)

Inland Empire

Marge Almond, CBRE
Dalida Silverman, MCA Realty Inc.
Kristine Linnens (BAE)

San Diego

Thor Emblem, GSH Group
Amber Molina, Commonwealth Partners
Teresa Henning, American Assets Trust
Melanie Bamba-Milinkevich, RSI Roofing
Renato Vazquez, Kilroy Realty
Audrey Doherty (BAE)
Craig Benedetto (Legislative Director)

Silicon Valley

Michelle Piazza, TMG Partners
Rebecca Barnes, Kilroy Realty Corporation
LaToya Ross, Hudson Pacific Properties
Matthew Peralta (BAE)

Oakland/East Bay

Jennifer Fothergill, Nor Cal NECA
Paymon Hifai, Horner Law Group
Kristin Edwall, KG Investment Properties
Julie Taylor (BAE)

Orange County

Mike Kent, Cap-Rock Partners
Mariellen Ingelzi-Smith
Brenna Walraven, Corporate Sustainability Strategies
Ruben Rivas, Irvine Company
Martin McIntosh (BAE)

San Francisco

Shayna Eskew, Allhouse Deaton
Manny Fishman, Buchalter
Stacey McCarthy, CBRE
Brandon Lee, JLL
John Bryant (BAE)
David Harrison (Staff)

Sacramento

Patrice Griffith, University Enterprises, Inc
David Creggan, Weintraub Tobin
Alison Geddes, Weintraub Tobin
Julia Cochran (BAE)

BOMA CAL STAFF

Matthew Hargrove
CBPA President/CEO
mhargrove@cbpa.com

Skyler Wonnacott
Sr. Director of Government Relations
swonnacott@cbpa.com

Will Hixson
Director of Communications
whixson@cbpa.com

Crystal Whitfield
Manager of Operations
cwhitfield@cbpa.com

STRONGER TOGETHER

Commercial real estate faces many challenges from local, regional, state, and federal laws and regulations. The only way to effectively push back against these challenges is to stand together to amplify our voice as an industry.



A FEDERATION OF ALL EIGHT LOCAL BOMA ASSOCIATIONS



BOMA California is the ONLY entity focused on issues in the California Legislature and regulatory agencies that impact the office real estate industry. This enables BOMA local associations to have full-time representatives in California's Capitol working on issues that will impact your bottom line.

BOMA Cal provides a very low cost to each member for sophisticated everyday representation in the nation's largest economy and real estate market. This representation costs each local association member less than \$13/month (\$150/year).

ADVOCACY. COMMUNITY. COLLABORATION.



ABOUT BOMA CALIFORNIA

BOMA California was created in the 1980's when representatives from several metropolitan BOMA's found themselves in Sacramento at the same time, testifying on the same legislative issues affecting the commercial real estate industry. In an effort to have the industry speak with **one unified voice**, in a cost efficient manner and with greater authority, the leaders of several of the local associations decided to create BOMA California.

OUR MISSION

To preserve and promote the interests of California commercial real estate professionals through legislative and regulatory advocacy.



WHAT WE DO

- Legislative & Regulatory Advocacy, Political Action Committee
- CA Commercial Real Estate Summit - Annual Advocacy Day in Sacramento
- Weekly Newsletter

WHO WE ARE

BOMA California has a board of directors and an executive committee with representatives from all eight local BOMA associations. BOMA California is managed by a staff of four in addition to two contract lobbyists and a codes consultant. BOMA California's management is **part of a larger commercial real estate industry coalition, allowing for a stronger voice in Sacramento**. Under its current management, BOMA California is part of a coalition with the organizations listed below.



YOUR MEMBERSHIP DOLLARS AT WORK



KEY ACTIVITIES & VICTORIES SAVING MEMBERS MILLIONS:

- Led the effort to defeat Split Roll Property Tax (Prop 15) in 2020, saving each property in the state thousands to millions of dollars in perpetuity on property tax.
- Stopped TWO COVID-related bills that would have invalidated leases with restaurants. This legislation would have required you to allow a tenant to walk on tenant improvements and lease payments.
- Worked with the Governor's Office to assure no statewide eviction moratorium for commercial property in his Executive Orders. A statewide moratorium would have overturned leases and had long-term negative consequences on contracts.
- Avoided leasing and eviction laws passed for residential – none apply to commercial (multiple bills in 2020/21/22).
- Stopped bills banning dual-agency brokerage transactions, which would have put small brokerages out of business and cost large brokerage firms millions.
- In a multi-year effort, BOMA Cal worked directly with state agencies to assure statewide EV mandates are reasonable and cost effective. Under an agreement negotiated by BOMA Cal – 4% of new spaces must install a head unit while original proposals were more than 50%. This action alone saves each property thousands. BOMA Cal assured a veto on AB 684 a bill that would have drastically increased the number of head unit installations.
- Worked directly with state agencies to craft reasonable solar policy, assuring solar only has to be installed in buildings where it's cost effective - many buildings are exempt due to our work. On buildings that do install solar, BOMA Cal has assured each building can embed costs into leases and charge tenants a reasonable fee.
- Led the effort to stop unreasonable bans on the building of new logistics centers. Even if your company is not in the industrial space these proposals would increase your cost of doing business and make it harder to source materials.
- Provided direct input on the industry gubernatorial appointment to the CA Commission on Disability Access which is part of the long-term strategy that has significantly reduced ADA lawsuits.
- BOMA Cal has a direct appointment to the State Historical Building Safety Board, an important position for any company with older buildings in the portfolio as it resolves issues related to seismic and other code issues.
- BOMA Cal engages on statewide political activity on behalf of the industry to help educate and elect policymakers at the state level that have a better understanding of issues impacting the office real estate sector.

2023 AND BEYOND MOVING BOMA CAL FORWARD



LEGISLATIVE ACTION

In 2023 nearly 3,000 bills were introduced in Sacramento. BOMA California's staff and contract lobbyists tracked over 400 bills with potential impact to our industry, including 30 high priority bills. In partnership with like-minded groups, your advocates had many bad bills killed, including AB 1000, a *de facto* ban on new warehouses. Your representatives jumped to action when ACA 13 was introduced - a last minute threat to Proposition 13.

In August, over 30 BOMA local association leaders joined in Sacramento to participate in the 2023 Commercial Real Estate Summit giving a voice to our industry in Sacramento.

ADVANCING THE STRATEGIC PLAN

This year, BOMA California continued to make progress on its strategic plan:

- In January, the first virtual BOMA Cal 101 program was held.
- Staff and the Board President continue to make contact with each local association and provide informational presentations upon request.
- A PAC Board was established and now meets monthly.

NEW WEBSITE & LINKEDIN



BOMA California

127 followers

STAFFING FOR SUCCESS

Your staff team has a combined 65 years of experience in government affairs and association management, in addition to two contract lobbyists and a codes consultant.



Matthew Hargrove

President & CEO
Joined CBPA in 2006



Crystal Whitfield

Manager of Operations
Joined CBPA in 2015

New Hire



Will Hixson, CAE

Director of Communications & Marketing
Joined CBPA in March 2023

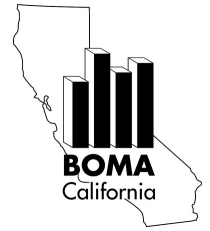
New Hire



Skyler Wonnacott

Senior Director of Government Relations
Joining CBPA in October 2023

STRONGER TOGETHER BOMA CAL ORGANIZATIONAL CHART



A FEDERATION OF ALL EIGHT LOCAL BOMA ASSOCIATIONS

BOARD OF DIRECTORS

Five delegates named by each local association

EXECUTIVE COMMITTEE

President, Vice President, Treasurer, Secretary & one Director from each remaining local association

STAFF

Matthew Hargrove, President & CEO
Skyler Wonnacott, Senior Director of Government Relations
Will Hixson, Director of Communications & Marketing
Crystal Whitfield, Manager of Operations
Sally Zuniga, Director of Finance

CONSULTANTS

Steve Cruz, Cruz Strategies (Contract Lobbyist)
Audrey Ratajczak, Cruz Strategies (Contract Lobbyist)
Bob Raymer, CA Code Consultants



A LOOK BACK AT 2023 EVENTS

BOMA members from across the state came together at two of the commercial real estate industry's signature events, the California Commercial Real Estate Summit and the Strategic Issues Conference.



BOMA members gathered in Sacramento on August 22th-23rd, to advocate for our industry, connect with lawmakers, and collaborate with peers. This was a critical time of year for our industry to be in Sacramento. Attendees were not only able to advocate on seven bills currently being considered by the full legislature, but were able to fight for Proposition 13 with the last-minute bill introduced and heard on the day of the event.



STRATEGIC ISSUES
CONFERENCE



The Strategic Issues Conference brings commercial real estate professionals together with aligned organizations to discuss hot button economic issues and form meaningful connections with fellow business leaders from across California. This year the event occurred on October 26th-27th in Long Beach. After two days of networking and informative talks, the group took a boat tour of the Port of Long Beach.





LOCAL SPOTLIGHT: 2023 EVENTS



BOMA Greater Los Angeles Board of Directors | CRE Committee | Westside Regional Roundtable



BOMA Inland Empire at various social and educational events



BOMA Oakland/East Bay's sold out Annual Meeting & Celebration



BOMA Sacramento Crab Feed Fundraiser | Wine Tasting Event | Supporting the Yolo Food Bank



BOMA San Francisco at the U.S. Capitol | State Capitol | 2023 Equality Awards



BOMA Silicon Valley Luncheon with Local Mayors | Annual Holiday Event | Wine Tasting | Roof Walk



BOMA Orange County works hard but plays harder!

Save the Date!

2024 CALENDAR OF EVENTS



BOMA International Winter Business Meeting

January 28-31, 2024

Washington D.C.



Legislative All-Star Luncheon

February 21, 2024

Sacramento



BOMA International Annual Meeting

July 13-16, 2024

Philadelphia



California Commercial Real Estate Summit & BOMA Cal Board Meeting

August 13-14, 2024

Sacramento



Industry Awards & BOMA Cal Board Meeting

October 24-25, 2024

Southern CA

Winter and Spring BOMA Cal board meetings TBD



BOMA CAL PAC FUNDRAISING

The BOMA California Political Action Committee was formed to advocate for favorable policy for the commercial real estate industry in California by supporting causes and candidates that align with our interests.

WHAT IS A PAC?

A Political Action Committee (PAC) is a committee organized for the purpose of raising and spending money to elect candidates and support causes of interest to the committee's organization. An organization's PAC consists of a separate segregated bank account, exempt from income tax. Segregating the PAC funds from an association's general fund protects the association from possible tax liability, protects its tax-exempt status, and inoculates some companies from direct campaign spending.

Can individuals give to the PAC?

Yes. There's no limit to the amount an individual can give.

Can companies give?

Yes. Corporations, partnerships, LLCs, associations, and sole proprietors may give. There's no limit.

Are contributions to PACs tax deductible?

No, they are not.

What information do we need to collect from donors?

Date, amount, name of donor, street address, donor type (individual, corporation, LLC, partnership, or other), and for individuals, occupation and employer.

What are my reporting requirements?

You can donate up to \$10,000 without any reporting requirements. If you are interested in donating above that amount, contact us for assistance with reporting.

PRIOR TO INITIATING NEW PAC FUNDRAISING ACTIVITIES, BOMA LOCALS ARE ENCOURAGED TO CONTACT BOMA CALIFORNIA STAFF TO ENSURE COMPLIANCE. EMAIL WILL HIXSON AT WHIXSON@CBPA.COM

**PAID FOR BY
BUILDING OWNERS AND MANAGERS ASSOCIATION OF CALIFORNIA PAC
BOMA CALIFORNIA ISSUES POLITICAL ACTION COMMITTEE, SPONSORED BY BUILDING OWNERS & MANAGERS ASSOCIATION OF CALIFORNIA**



BOMA CAL PAC UPDATE

In 2023 the BOMA California PAC Board of Directors was established.



CHAIR
Glenn Good
Glenn Good Group
San Francisco



CO-CHAIR
Becky Rios
Edgewood Realty
Partners, LLC.
Greater Los Angeles



Amber Molina
Commonwealth
Partners
San Diego



Ellen Ticknor
Seide Law
Orange County

2023 PAC Fundraising

A goal of \$50,000 in PAC contributions in 2023 was established in BOMA California's strategic plan. At the November 2023 PAC Board meeting it was reported that \$41,016 was raised for the PAC in 2023. At the same time, total PAC assets stood at \$57,035.

Most PAC dollars are received directly from local association contributions. This may be from local events, fundraising drives, or a direct contributions from the association's on-hand funds. With the establishment of a PAC board in 2023, a goal was set to host a fundraiser event specifically for the BOMA California PAC. Planning is currently in progress for this event with a goal of hosting the event by the end of quarter one in 2024.

Funds raised for the BOMA California PAC will be used to protect our industry in Sacramento by supporting candidates and causes aligned with our mission.

Thank you to all of the local associations and their members for contributing to this crucial cause!



ANNUAL LEGISLATIVE & REGULATORY REPORT

2023 Commercial Real Estate Legislative and Regulatory Year in Review

While California's business community as a whole had a challenging year in the Legislature with the passage of ACA 1 and ACA 13, BOMA CAL did however, yet again, halt another attack on our industry by stalling AB 1000: Warehouse Buffer Zone - (Reyes; D-San Bernardino). This disastrous bill proposed a statewide setback of 1,000 feet from "sensitive receptors" for all new or expanded logistics use facilities 100,000 square feet or larger in California. In addition, BOMA CAL successfully amended several bills including a bill on building and renovation projects for LEED certification and another on emergency response trauma kits.



TAXPAYER PROTECTION ACT (TPA) – After the defeat of Split Roll in 2020 our industry decided to go on offense and proactively work to fix Proposition 13 and prevent the need to fight a tax increase on the statewide ballot every election cycle. If passed by voters, the Act will close significant loopholes created by recent court decisions (Upland) and other governmental actions, reinstating the will of the voters, and restoring historic protections against new and higher property taxes. BOMA CAL supports the effort and is actively fundraising for the effort to ensure its passage in November 2024. However, Governor Newsom and Legislative Leaders have petitioned for removal of TPA from the ballot arguing these issues are too important for voters to decide.

ACA 1/ACA 13 - In the final three weeks of session a major attack was launched to further weaken Proposition 13. ACA 1 Makes it easier to raise taxes. The measure lowers the 2/3s vote threshold for almost all special tax measures to a 55% vote threshold. ACA 13 is aimed specifically at the Taxpayer Protection Act. The measure will change the rules to make it harder to restore the 2/3s vote requirement and make it harder to fix Proposition 13 loopholes.



ANNUAL LEGISLATIVE & REGULATORY REPORT

2023 Commercial Real Estate Legislative and Regulatory Year in Review

ORGANIZED RETAIL CRIME - BOMA CAL has long been a leader in protecting private property rights, but Proposition 47 has made it next to impossible to protect your property. Addressing Organized Retail Crime through reform of Prop. 47 is a top priority. BOMA CAL is working closely with the California District Attorneys Association and the California Retailers Association in support of an effort they are leading to qualify a measure for the 2024 ballot to reform Prop 47 and combat organized retail crime.

WAREHOUSE BUFFER BILL STALLED (FOR NOW) – BOMA CAL strongly opposed AB 1000 and successfully stalled the bill (for now). The bill unreasonably targets one building type, warehouses, effectively limiting development in most urban areas. Current law already requires extensive disclosure of information by all project types through regional air quality regulations and the CEQA process. This bill sought to layer a set-back rule specifically for warehouses creating a de-facto ban.

In response to AB 1000, BOMA CAL was instrumental in the creation of AB 1748 (Ramos; D-San Bernardino) which is our alternative to AB 1000. AB 1748 will provide a requirement for local agencies to implement a 300-foot minimum setback for qualifying logistic facilities and other landscape buffer requirements next to sensitive receptors.

LEGISLATION – On behalf of the commercial real estate industry, BOMA CAL tracked over 400 pieces of legislation in the State Capitol this legislative session and directly engaged on over 200 bills. Additional details on priority legislation can be found on the following pages. A full listing of bills, positions, and outcomes can be provided separately upon request.

REGULATIONS – BOMA CAL engaged with regulatory agencies on a variety of issues including electric vehicles, solar, energy, and water regulations. BOMA CAL works closely with code consultant Bob Raymer to remain active on code related issues.



ANNUAL LEGISLATIVE & REGULATORY REPORT

2023 Commercial Real Estate Legislative and Regulatory Year in Review

SUPPORTED/AMENDED BILLS SIGNED INTO LAW:

SB 416 (Laird; D – Santa Cruz) Building and Renovation Projects: LEED Certification

We removed opposition after successfully amending SB 416. The bill requires LEED certification for new state buildings, does not apply to existing leased properties.

AB 225 (Grayson; D – Concord) - Real-estate Environmental Hazards Booklet

AB 225, which was supported by our industry, will inform buyers and tenants on the potential hazards within the area they live, including wildfire risks, climate change and sea level rise. The bill will also provide an opportunity for a public private partnership to pay for the update if resources are not made available by the state.

AB 70 (Rodriguez; D – Pomona) - Emergency Response: Trauma Kits

AB 70 will require that trauma kits be installed next to AED stations during certain building renovations. BOMA CAL took a neutral position as the measure includes liability protection language negotiated in 2021 for building owners and follows the same limited installation requirements.

AB 883 (Mathis; R – Tulare) – Licenses – Expedition for Veterans

AB 883, which was supported by our industry, expands expedition requirements under the United States Department of Defense SkillBridge program to expedite license applications for veterans transitioning back into civilian life, making it easier for our service members to obtain licenses in fields requiring licensure, like real estate. AB 883 will directly and positively impact a veteran's transition and hasten their ability to earn an income and support their families.

OPPOSED BILLS VETOED:

SB 799 (Portantino; D-Burbank) – Disastrous Unemployment Insurance for Striking Workers - Will be back next year

SB 799 was opposed by a large coalition of business groups. The bill, which was heavily backed by organized labor would have been disastrous for businesses large and small and would have ballooned California's already high federal unemployment insurance debt. The measure aimed to provide unemployment insurance (UI) benefits to individuals who left work and chose to go on strike during a labor dispute.

SIGNIFICANT BILLS THAT WERE HELD BUT MAY BE BACK NEXT YEAR:

AB 1000 – (Reyes; D-San Bernardino) - Warehouse Buffer Zone

This bill proposes a statewide setback of 1,000 feet from "sensitive receptors" for all new or expanded logistics use facilities 100,000 square feet or larger in California.

AB 1748 – (Ramos; D-San Bernardino) – Our Alternative to the Reyes Warehouse Bill

AB 1748 will provide a requirement for local agencies to implement a 300-foot minimum setback for qualifying logistic facilities and other landscape buffer requirements next to sensitive receptors.



ANNUAL LEGISLATIVE & REGULATORY REPORT

2023 Commercial Real Estate Legislative and Regulatory Year in Review

OPPOSED BILLS SIGNED INTO LAW

SB 253 (Wiener; D-San Francisco) – Redundant Greenhouse Gas Reporting

SB 253 was heavily opposed by a massive coalition of business groups. The bill requires any business entity with total annual revenues more than \$1 billion to publicly report their annual greenhouse gas (GHG) emissions. These disclosures will include corporate supply chains (scope 3), which can include more than 90% of a corporation's carbon emission.

SB 616 (Gonzalez; D-Long Beach) – Costly Sick Leave

Sick Leave Expansion on all employers. The bill increases the number of job-protected paid leave hours employees can take each year under state law. Current law allows employers to limit employees' paid leave use per year to 24 hours or 3 days, whichever is greater. SB 616 increases the permitted annual use cap to the greater of 40 hours or 5 days.

AB 1572 (Friedman; D-Burbank) – Water Restrictions

Limits irrigation of turf that may have a beneficial use (municipal, multifamily and industrial). Could limit approaches and design techniques that mitigate heat impacts and urban heat islands. Restricts local water agencies from adopting reasonable regulations.

SB 723 (Durazo; D-Los Angeles) – Extension of Employee Rights to Recall Under COVID-19 Regulations

Extends from December 31, 2024 to December 31, 2025, the sunset date on the existing "right to recall" rights for employees in the hospitality and service industry, and adds to these provisions a presumption that a separation due to a lack of business, reduction in force, or other economic, nondisciplinary reason is due to a reason related to the COVID-19 pandemic, unless the employer establishes otherwise by a preponderance of the evidence.



NEARLY
3,000
BILLS
INTRODUCED



890
BILLS SIGNED
INTO LAW



200+
BILLS WE
ENGAGED ON



ANNUAL LEGISLATIVE & REGULATORY REPORT

2023 Commercial Real Estate Legislative and Regulatory Year in Review

ATTACK ON PROPOSITION 13

In the final three weeks of session a major attack was launched to further weaken Proposition 13.

**Assembly Constitutional Amendment 1:
Makes it easier to raise taxes**

- Lowers 2/3s vote for almost all special tax measures to 55%
- Put on ballot by a one-sided partisan vote of the Legislature.

**Assembly Constitutional Amendment 13:
Makes it harder to fix Proposition 13**

- Aimed specifically at the Taxpayer Protection Act
- Changes the rules to make it harder to restore 2/3s vote
- Put on ballot by a one-sided partisan vote of the Legislature
- In coordination with ACA 13 the Gov and Legislative Leaders have petitioned for removal of TPA from the ballot arguing these issues are too important for voters to decide.

PROTECTING PROPOSITION 13

Our industry has successfully placed a ballot initiative on the November 2024 ballot that will protect proposition 13, The Taxpayer Protection Act and Government Accountability Act (TPA). However, Governor Newsom, Speaker Rivas and Former Democratic Party Chairman John Burton have petitioned the California Supreme Court to remove TPA from the ballot stating this issue it too complex for voters to weigh in.

TPA: Restores taxpayer protections recently eroded by court decisions

- Restores 2/3s Vote for All Special Taxes & Protects Against Split Roll
- Put on ballot through 1.4M voter signatures
- Supported by Real Estate/Business Groups





ANNUAL LEGISLATIVE & REGULATORY REPORT

2023 Commercial Real Estate Legislative and Regulatory Year in Review

REGULATORY SUCCESSES

BOMA CAL maintains a presence as part of the building code process to provide early input to regulatory agencies on technical matters, identify major initiatives that will impact BOMA CAL members, and to redirect measures that are introduced as legislative measures.

AGENCIES UPDATE WILDFIRE REGULATIONS: Two different state agencies have updated regulations for construction performed in areas mapped as Urban-Wildland Interface (WUI) zones. As done every 18 months, the Office of the State Fire Marshal updated their WUI fire safety building standards. These will continue to apply to construction in State Responsibility Areas (SRAs) zones mapped as Moderate, High, and Very High Fire Severity Zones and Local Responsibility Areas (LRAs) mapped as Very High Fire Severity Zones. The industry was able to block a proposal that would have eliminated a very low-cost, prescriptive way to show compliance with the Class A roof covering mandate for these zones. We also successfully blocked a proposed change that could have inadvertently expanded the application of the standards to moderate and high fire severity zones in the LRAs.

Perhaps the biggest news of this regulatory update is the completion of a new set of updated fire severity zones in the SRAs by the Office of the State Fire Marshal. These maps have not been updated for over 15 years. These maps have been forwarded to local jurisdictions for ratification via the local ordinance process. Also, the California Board of Fire Safety (Cal Fire) has adopted updated regulations for development in these WUI regions. The greatest impact of these updated standards will be on new residential construction in existing residential areas.

UNIFORM BUILDING STANDARDS: BOMA CAL worked to help the Building Standards Commission approval of Uniform Building Re-Use/Rehab Standards. A policy strongly supported by industry and local code enforcement agencies, the BSC approved regulations proposed by the State Fire Marshal, adopting additional chapters of the 2021 International Existing Building Code by reference. This code change will provide additional compliance methodologies and options for California design professionals working on alterations, changes of occupancy, and additions to existing buildings, and will be available for use by the industry for permits submitted on or after July 1, 2024.



ANNUAL LEGISLATIVE & REGULATORY REPORT

2023 Commercial Real Estate Legislative and Regulatory Year in Review

REGULATORY SUCCESSES (Cont.)

CARBON REPORTING/REDUCTION REPORTING: In response to strong objections from BOMA CAL and local building officials, the BSC significantly reduced the stringency of their proposed mandate for “embodied carbon” reporting and reduction which initially proposed a trigger for carbon reporting on new buildings as small as 25,000 sf. After strong objections from industry this threshold was later raised to only include new buildings greater than 100,000 sf.

ELECTRIC VEHICLE CHARGING MANDATE: On both the legislative and regulatory front, BOMA CAL has been able to keep EV charger mandates at the levels that were negotiated and adopted in 2021, despite strong pushes to significantly increase the mandated number of charging unit installations through legislation and regulatory effort.

However, in response to a proposal from the Governor’s Office a proceeding to require EV-charging retrofit when a commercial building alters or adds to its existing parking facility when that retrofit includes an upgrade to the building’s electrical panel(s) is now under consideration. A similar mandate has been required in exiting residential facilities for the past three years. BOMA CAL representatives have suggested several edits to this proposal to increase clarity. For example, no such retrofit would be required if the parking lot is simply being refinished/restriped. Also, exemptions for significant cost impact and infeasibility have been added to these new regulations due to our advocacy and engagement.

ROOFTOP SOLAR FOR COMMERCIAL: BOMA CAL has been able to protect major victories earned engaging with state agencies on the solar mandate for non-residential buildings, keeping the focus on new construction only, applying reasonable rooftop ratios, and providing numerous exemptions.

More information on both EV charger and rooftop solar regulations can be found in the following joint report from BOMA CAL: [Title 24 Non-Residential: Solar, Batteries and EV Charging](#).