



California  
Business  
Properties  
Association



International Council of Shopping Centers



**Testimony of Matthew Hargrove, Sr. Vice President  
California Business Properties Association  
Before California State Senate Committee on Transportation and Housing  
*Green Building Standards; A Progress Report on CALGREEN*  
February 23, 2010**

- Chairman Lowenthal and Members thank you for inviting me here today to participate in this hearing regarding California's first in the nation Green Building Code.
- I am Matthew Hargrove, Senior Vice President at the California Business Properties Association.
- CBPA serves as the California legislative and regulatory advocate for individual companies as well as several professional organizations including:
  - Building Owners and Managers Association of California (BOMA Cal),
  - International Council of Shopping Centers (ICSC),
  - California Chapters of the Commercial Real Estate Development Association (NAIOP of Cal),
  - Altogether we represent over 11,000 California companies in the commercial, industrial, and retail real estate industry.
- Even before CALGREEN's passage our state was way ahead of the rest of the nation – a building currently built in California is on average 40% more energy efficient and emits about half the greenhouse gasses of the national average.
- CALGREEN's comprehensive regulations will only accelerate reductions in greenhouse gas emissions, energy consumption and water use.
- The commercial real estate industry has been very supportive of these regulations because they provide clear statewide standards and consistency.
- But more importantly, the Building Code must be shown to be both **Cost Effective** and **Technologically Feasible**. Because of these requirements – and the consensus based process in which they are written –you have broad based support for these codes.

- More to the point, however, of “*why does it make policy sense to support these standards,*” is that under a whole host of environmental mandates in California (**AB 32** and **SB 375** the first law in the nation connecting land-use with carbon emissions), **stricter building codes are inevitable.**
- Our industry has a long track record of working with state agencies to elevate sustainability, energy efficiency, and water savings within the building codes.
- Aside from being directly involved with the Building Standards Commission over the years, we have worked on every adoption of Title 24, emanating from the California Energy Commission.
- The California Air Resources Board estimates that the mandatory provisions will reduce greenhouse gas emissions by the equivalent of 3 million metric tons of carbon dioxide per year by 2020.
- That savings provides one clear strategy to meet our industry goals under the AB 32 Scoping Plan.
- And Because these standards have been quantified by the ARB
  - CALGREEN will help calculate greenhouse gas impacts within a Sustainable Communities Strategy
  - CALGREEN can also help cities better account for greenhouse gas impacts as they write and update their General Plans
- This clear statewide standard will also provide for consistent standards across the state so we don’t have a patchwork of different codes in every jurisdiction.
  - Now, with the 30 or so cities that have adopted their own green building code, NONE of them are consistent.
  - That makes it difficult to achieve economies of scale in construction.
  - It also means that local building officials are being asked to enforce different standards in each of those cities making statewide education and training difficult for everyone building in those jurisdictions.

- This statewide consistency will also help with training and education of everyone involved in the building process.
  - In fact, anticipating this this code was coming, our industry sponsored – and your committee approved – a bill signed into law by the Governor -- **SB 1473** (Calderon) that put a small fee on development (\$4 per \$100K of valuation)
  - Provides a fund for the development, adoption, publication, updating, and educational efforts associated with the state’s green building standards.
- Like California’s existing building code provisions, CALGREEN provisions will be inspected and verified by local and state building departments.
- This enforcement infrastructure has served the state well in assuring compliance with its health, safety, fire, energy and structural building codes.
- Lastly, a quick word on local ability to adopt standards above and beyond the state’s minimum code.
- Although we like statewide consistency, we support local jurisdiction’s ability to make the code work for their cities.
  - To that end, we sponsored – and this committee supported -- AB 210 (Ms. Hayashi) that clarified those local governments can adopt green building codes above and beyond the minimum standards. The Governor also signed that bill into law.
  - However, now with the CALGREEN Tiers local governments have another option rooted in the public code. Tiers will be worked on in the coming year, but ultimately provide a great way to encourage above code activity.
- As we come out of this downturn we want to make sure our industry is able to lead the way, and think staying on the leading – yet reasonable, cost-effective – edge of sustainable building practices is one good strategy to assure that happens.
- Thank you for your time and attention to this important matter.

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