



# **BOMA:** Advocating Commercial Real Estate's Business Case

A 2017 Report



**BOMA**  
International

## BOMA Means Advocacy

The topics covered in this report are just a few of the many issues that BOMA International's advocacy, codes and standards team—along with a committed network of member volunteers—addresses throughout the year. We encourage you to visit **BOMA.org** and subscribe to BOMA International's *e-News* to keep up with the latest advocacy issues and be ready to lend a hand as opportunities arise. Also, consider joining the BOMA crowd at the next *National Issues Conference*: In 2017, we will be holding “Local Editions” in your area. Additionally, on March 8, we will be hosting a mini fly-in on Capitol Hill to meet the newest members of Congress. We also encourage you to attend a state or local Advocacy Day. Together, we can make a difference!

### IMAGES ON COVER

**Top Right:** BOMA/San Francisco meets with Rep. Jackie Speier (D-Calif.).  
**Bottom Left:** BOMA/Nevada visits with Rep. Joe Heck (R-Nev.) in Washington, D.C.  
**Bottom Right:** BOMA/Houston poses with Rep. Pete Olson (R-Texas) in his office on Capitol Hill.

## GETTING DOWN TO BUSINESS

The commercial real estate industry is a significant driver of the nation's economic engine.



The 10.5 billion square feet of commercial office space located within the markets served by BOMA's 91 U.S. local

associations contributed nearly

# \$235 BILLION

to the U.S. economy.

Office building operations, both directly and indirectly, create and support

# 1.75 MILLION JOBS

nationwide. In addition, buildings owned and managed by BOMA members provide workspace for an estimated 46.9 million office jobs—meaning roughly

# one-third of all U.S. workers work in BOMA office space!



SOURCE: BOMA INTERNATIONAL'S *WHERE AMERICA GOES TO WORK: THE CONTRIBUTION OF OFFICE BUILDING OPERATIONS TO THE ECONOMY, 2016*

## TOP ISSUES AHEAD FOR 2017

This report highlights just a few of the many issues that make up our advocacy agenda. BOMA International has many established policy positions, which can be found under the Industry Issues tab of the BOMA International website ([BOMA.org](http://BOMA.org)). Following are our top priorities for the year ahead:

### FEDERAL

1. Tax Reform
2. Energy Policy
3. ADA Reform

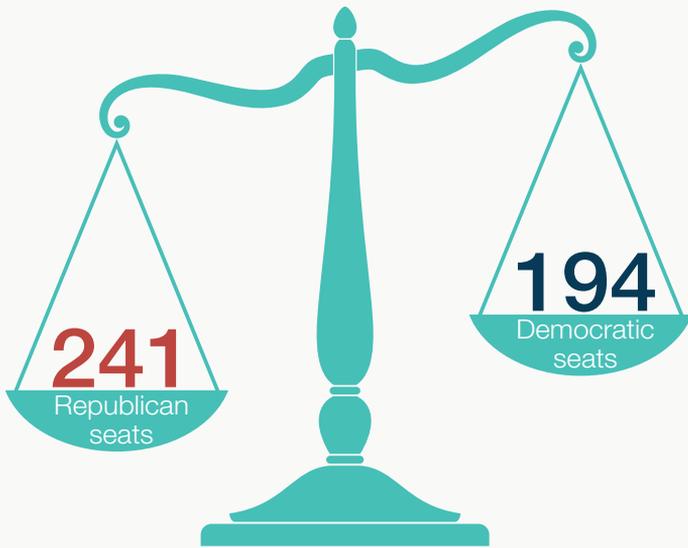
### STATE

1. Taxes
2. Energy Benchmarking
3. Economic Development

### CODES

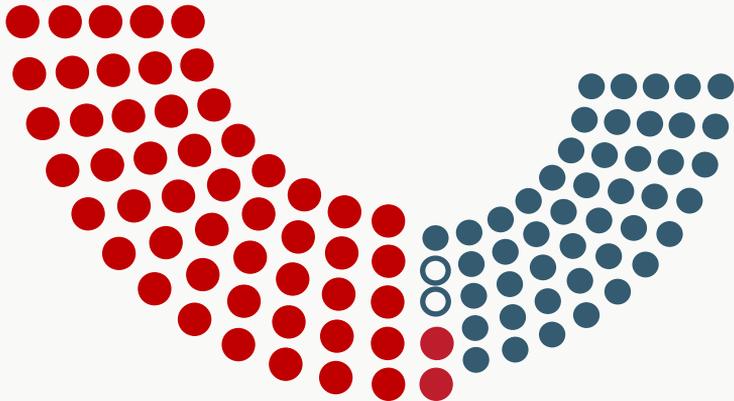
1. Resiliency
2. Existing Building Codes
3. Stretch Codes

### U.S. HOUSE OF REPRESENTATIVES:



### U.S. SENATE:

**52** Republican seats, **48** Democratic seats  
*(2 Independent seats included, as they caucus with the Democrats)*



# INTRODUCTION

## A Shifting Landscape Inside and Outside the Beltway

This past election season resulted in one of the most surprising political victories in recent history. Widely held conventional wisdom, based on statistical analysis and polling, convinced many in the United States that the 2016 election was going to be the victory lap for the long and storied career of Hillary Rodham Clinton. Nearly every major media outlet had Secretary Clinton with an all-but-assured victory on November 8. And, it wasn't just the presidency that appeared locked in—significant Republican losses in the Senate were projected, which would have flipped control to the Democrats. What America faced in the early morning hours of November 9 was an entirely different story.

As expected, Democrats failed to make significant inroads in the House of Representatives, gaining only a total of six seats. In the Senate, Republicans retained their majority, though with slimmer margins. Sen. Mitch McConnell (R-Ky.) continues to serve as the Senate Majority Leader, and Sen. Chuck Schumer (D-N.Y.) replaced retiring Sen. Harry Reid (D-Nev.) as the Minority Leader for the Democrats.

While pundits continue to pontificate and expound on what happened in the post-mortem analysis of the election, industry and business advocates quickly adjusted their advocacy strategies in light of a Republican-controlled Washington, D.C. While the nation might have been surprised with the election results, BOMA International is prepared for the new political landscape.

Coming off the heels of major political victories in 2015, which included a permanent extension of reduced leasehold improvement depreciation schedules, an extension of the Terrorism Risk Insurance Act (TRIA), Foreign Investment in Real Property Tax Act (FIRPTA) reform and a new highway bill, the tenor of the last Congress quickly changed, resulting in an unproductive legislative session in 2016. The bipartisanship that allowed the passing of these important measures in 2015 quickly evaporated, which is typical of most election years.

Even with the political distractions of 2016, BOMA International was successful in advancing its advocacy agenda on a number of fronts. The following pages detail those successes and highlight some of BOMA's priority issues. We believe that 2017 will continue the trend of victories at the federal level, in state houses across the country and in the codes arena. More information on all of our issues, as well as formal policy positions, can be found on the BOMA International website at [BOMA.org](http://BOMA.org). We encourage you to get involved. We are always looking for passionate volunteers to serve on advocacy- and codes-related committees at BOMA International and through BOMA local associations. The key to BOMA's success on advocacy issues is our dedicated grassroots force!

# TAX REFORM

**After passing the massive tax bill known as the PATH Act** at the end of 2015, which included making 15-year leasehold depreciation permanent, Congress had no appetite left to consider additional tax policy changes in 2016. While the Democrats and Republicans each pointed fingers at each other over the Washington logjam, there was rare, unanimous agreement that comprehensive tax reform would be pushed into 2017. Knowing this, BOMA International used 2016 to lay the groundwork for a tax policy plan that would benefit development and investment, and would provide long-term certainty and stability for the commercial real estate industry and the overall economy. BOMA worked on and off Capitol Hill to convey the essential elements tax reform would need to maintain a healthy industry and to avoid the missteps of the 1986 tax reform.

To underpin a productive 2017, Republican House leadership, led by Speaker Paul Ryan (R-Wis.), put forth its promised “blueprint” of comprehensive tax reform, while presidential candidates laid out their own visions for the future of the tax code. The plans differed as widely as the candidates, but the central theme that threaded them together was a simplified tax code.

The House GOP blueprint pares down the U.S. system from its current seven individual brackets to three, with the highest at 33 percent (compared to today’s 39.6 percent rate). It also offers a 25 percent tax rate on business, compared to today’s 39 percent. Capital gains would be taxed as ordinary income, but individuals would be allowed to exclude 50 percent of capital gains, dividends and interest income. Most deductions, with the exception of mortgage interest and charitable giving, would be eliminated. The corporate alternative minimum tax and the deductibility of interest would disappear, but the cost of capital would be fully and immediately expensed. The blueprint also would cap the maximum tax rate for pass-through business income at 25 percent. The plan represents uncharted economic territory, and BOMA is

working with Congress and other industry groups to assess and mitigate the overall impact for commercial real estate.

A new administration brings many unknowns to the tax reform equation, but a Trump presidency most likely will mean the end of carried interest. During the campaign, his economic platform called for the tax treatment to be eliminated. Under current law, the general partner of a real estate venture is offered a percentage of the profits to incentivize its successful management of an investment. The carried interest provision allows for those profits to be treated at the lower capital gains rate, rather than at the higher earned income rate. BOMA will fight to carve out real estate as an exception. Trump’s tax plan also would reduce the corporate rate from 33 percent to 15 percent.

While there is general agreement that the tax code needs to be revamped, wiping out three decades of amended tax law may have unintended consequences for real estate. Even though a streamlined approach to our nation’s tax code may sound like good policy, many of the drafts put forth in recent years have not been kind to commercial real estate. For example, three high-profile proposals put forward since 2013 have sought to eliminate Section 1031 (or “like-kind” exchanges). Others have increased the depreciation period on leasehold improvements, and the fight over carried interest has sparked favor in both Republican and Democratic circles alike. Unfortunately, 1031 exchanges are a vital, if misunderstood, tool to keep investment dollars in real estate. Of further concern, both Senate Majority Leader Mitch McConnell and the House blueprint refer to the Tax Reform Act of 1986 as a success—a statement that might make many in real estate uncomfortable.

The House of Representatives, Senate and White House now are all in Republican control, providing a unique prospect for comprehensive tax reform. A year so electric with opportunity also poses many questions. Will a simpler tax code benefit commercial real estate or business in general? How will the House GOP blueprint and President Trump’s tax plans come together? Will any lessons be learned from the 1986 tax reform? With many unanswered questions surrounding tax reform, BOMA will continue to educate Congress on the economic importance of commercial real estate’s health, as those who forget history are often doomed to repeat it.



BOMA International President Henry Chamberlain (left) meets with Rep. Patrick Murphy (D-Fla.) at The Real Estate Roundtable meeting.

## **BOMA.ORG RESOURCE: LEGISLATIVE ACTION CENTER**



Write a letter to your federal or state legislators, make your voice heard with your local media or find out more about BOMAPAC, BOMA’s Political Action Committee, through the Legislative Action Center. This interactive resource can be found on **BOMA.org** under the Industry Issues tab.



BOMA California members pose with Sen. Dianne Feinstein (D-Calif.), center, during their visit to her office on Capitol Hill.

## ENERGY POLICY

**Energy legislation was a major topic of debate in 2016**, garnering much deliberation by leaders in both political parties. At the center of this debate was energy efficiency, specifically the question of what role the federal government should play in the building code process. The debate was not a new one, as Congress first started addressing the topic as far back as 2005. The difference this time around was that the commercial real estate industry was directly infused into the deliberation process.

In fits and starts, the Senate finally brought to the floor an energy bill that received considerable bipartisan support, an unlikely occurrence given that it was an election year. Unrelated matters nearly doomed the bill's chance of survival, but it was finally passed with much fanfare. Included in the bill was BOMA-supported language creating energy efficiency targets for future building codes. It also embedded economic safeguards that forced the federal government to consider the upfront costs for building owners and tenants, requiring a return on investment analysis before those efficiency targets are established.

The House also passed a competing energy bill, though it failed to garner the Democratic support that was found in the Senate. It did, however, include even stronger safeguards for commercial real estate in the form of a requirement that the costs for new building codes could not exceed a 10-year simple payback. The bill also included language that mirrored a long-held belief in the real estate community: that the U.S. Department of Energy (DOE) should not advocate for new code changes at the state level; the focus of the agency instead should be confined to that of a technical advisor.

BOMA was instrumental in advocating for and ultimately achieving specific changes to both the House and Senate bills from the onset. Those additional changes included: input from

the commercial building industry to set proposed efficiency targets; the ability for the DOE to set separate efficiency targets for residential and commercial structures; and removal of zero net energy as the basis of increased efficiency targets.

Unfortunately, as the bills moved to conference (a process to reconcile the difference between the House and Senate bills), the partisan nature of the elections spilled over into the negotiations. Consequently, a final bill was never enacted. Looking forward into 2017, there is considerable optimism that energy once again will be an issue addressed by Congress. The work of BOMA and our industry allies will likely serve as the foundation of any new legislation considered this year.

Another energy item that failed to be enacted in 2016 was an extension of the commercial building energy efficiency tax deduction, commonly known as 179D. The deduction, which expired at the end of 2016, was the only federal incentive for building owners to improve the energy efficiency of a building. It provided a \$1.80-per-square-foot deduction for energy savings equating to 50 percent over the ASHRAE energy standard, 90.1. A partial deduction of \$0.60 also was available for lesser reductions in individual systems and building components. The deduction didn't expire for lack of congressional support; rather, it became a casualty of the prospect of tax reform looming on the horizon.

In 2017, BOMA International will work to retroactively extend 179D and to reform the deduction to make it more usable for existing buildings and other real estate enterprises, such as real estate investment trusts (REITs). Pressing the need for more energy efficiency incentives and common-sense energy policy will be a cornerstone of BOMA's advocacy strategy and a top legislative priority for the association this year.

# AMERICANS WITH DISABILITIES ACT

## The passage of the Americans with Disabilities Act (ADA) in 1990

greatly increased the protection and advancement of the rights of Americans with disabilities. Accessibility has improved dramatically in buildings around the country over the past three decades. During this time, BOMA International earned a reputation for being a leading advocate for accessibility issues by authoring the *ADA Compliance Guidebook*, among other publications, and participating in the various national code-making committees. Unfortunately, the spirit of the ADA is being undermined by some attorneys who subvert the intent of the law to profit personally without improving accessibility.

The practice, commonly referred to as “drive-by” lawsuits, involves suing business owners for financial redress over highly technical ADA violations. Often, these lawsuits are not intended to increase accessibility, but to pressure businesses to pay large settlements, including significant attorney’s fees.

The number of “drive-by” lawsuits increased again in 2016, despite widespread disapproval from states around the country. California, Arizona and Minnesota have each taken legislative action to curb the practice, which has consequently driven many lawsuits out of state jurisdictions and into federal courts.

To remedy the problem and ensure that the spirit of the ADA remains intact, BOMA International urges Congress to pass the ADA Education and Reform Act, introduced by Rep. Ted Poe (R-Texas). This important legislation contains a “notice and cure” provision that would allow building owners the opportunity to identify and correct any ADA violations before the commencement of a lawsuit. With the emphasis on increased compliance, resources can be directed towards making the necessary fixes rather than legal fees.

Although the ADA Education and Reform Act did not pass during the last Congress, BOMA International made significant progress moving the needle on this issue. BOMA not only



BOMA/Denver visits with Rep. Ed Perlmutter (D-Colo.).

was instrumental in securing Democratic support—making the bill bipartisan for the first time—but advocacy staff and BOMA members also helped the bill acquire 57 co-sponsors. This effort facilitated a favorable vote in the House Judiciary Committee and companion legislation being introduced in the Senate. With the commencement of a new Congress in 2017, however, BOMA’s efforts begin anew.

The outcome of the November election bodes well for passing ADA legislation during the newly formed 115th Congress. With single-party control of the legislative process, Republicans have an opportunity to fix the problem and pass meaningful legislation. It is imperative that BOMA International makes the case to lawmakers for the need of this type of legislation—not only to protect small businesses, but also to strengthen the original intent of the ADA and ensure that accessibility remains the cornerstone of the law.

## IN YOUR DEFENSE

BOMA’s Industry Defense Fund (IDF) ensures that BOMA local associations, state coalitions and BOMA International have the means to fight critical attacks on our industry. In just the past year, approximately \$88,000 has been invested in these efforts. Here’s a look at just a few of the recent efforts the IDF has helped to support:

### Campaign to Reduce the Business Rent Tax in Florida

The IDF Committee approved \$17,000 for BOMA Florida to assist in the funding of a state legislative campaign to start phasing out the state of Florida’s sales tax on commercial leases (business rent tax) on a multiyear basis. This a priority issue for all members of BOMA Florida.

### Appraisal District Reform in Texas

Funding of \$50,000 was approved for Texas BOMA to continue a

legislative advocacy and media relations campaign to bring about appraisal district reform and property tax rollbacks. Commercial property owners have seen their valuations increase dramatically in recent years, leading to substantial increases in property taxes.

### Campaign to Defeat Mandatory Lease-to-Fee Conversion Legislation in Hawaii

The IDF Committee approved a \$6,782 funding request from BOMA/Hawaii

to undertake a strategic legislative communications plan to educate Hawaii state legislators about the negative economic impact of mandatory lease-to-fee conversion legislation. In the 2016 legislative session, both houses considered a bill—expected to be reintroduced in 2017—to require commercial property in Hawaii to be sold to tenants. This legislation would create a bad precedent, potentially impacting BOMA members throughout the country.

# SECURITY AND EMERGENCY PREPAREDNESS

**The decisions made by property professionals** before, during and after dangerous scenarios can impact the severity of their outcomes, which means BOMA members play a critical role in protecting citizens and property from man-made and natural disasters. BOMA International, an industry leader in security and emergency preparedness education, takes our role within the industry seriously. In 2016, BOMA International developed a number of important resources for members and expanded and strengthened relationships with local and state authorities. Most importantly, we continued to help foster a culture of awareness and preparedness throughout the commercial real estate industry.

A new wave of man-made and natural disasters threatened communities around the United States in 2016. New terrorism attacks left people feeling less safe as they went about their daily lives, including a tragic mass shooting at the Pulse Night Club in Orlando, Florida. In response to this shooting, BOMA International worked with BOMA/Orlando in real time to ensure members had the most up-to-date information from local and federal law enforcement. Efforts there protected buildings in the immediate wake of the attack and allowed normal business to resume in Orlando as quickly as possible, mitigating the impact on the surrounding community. BOMA International also participated in briefings after the incident, gathering information useful in educating property professionals on preventing future attacks.

The landscape of natural disasters is changing, as the effects of climate change continue to accelerate. A one-in-1,000-year flood typically refers to a flood event of a magnitude that rarely occurs. In 2016 alone, there were five such floods in states all across the country—Texas, West Virginia, Mary-

land, Louisiana and North Carolina. BOMA International created resources in 2016 designed to help property professionals prepare for these types of floods and other severe weather events, including a new emergency checklist and a document to assist BOMA members in creating and strengthening their local preparedness committees.

BOMA International also made a big push in 2016 to fortify relationships with federal partners to bring new and useful education and training opportunities to BOMA members. By partnering with the Office for Bombing Prevention in the U.S. Department of Homeland Security, BOMA members now can access training sessions specifically designed for property professionals on topics ranging from bomb-threat management to suspicious behavior awareness. In addition, BOMA collaborated with the American Red Cross to provide training and instruction for property managers wanting to host blood drives in their buildings. These federal partners understand that BOMA members are critical resources

who help make their communities more prepared.

BOMA International continues to work with the Real Estate Information Sharing & Analysis Center (RE-ISAC) to provide accurate and timely alerts to BOMA members across the country. Established in 2003, the RE-ISAC is a public-private partnership between the U.S. real estate industry and federal Homeland Security officials, which serves as the primary conduit of warning and response information between the government and the commercial real estate industry. RE-ISAC communications aid BOMA members in responding to natural and man-made threats should they materialize. BOMA worked in 2016 to improve the program's capabilities so they are more robust than ever moving forward.

No emergency situation is the same, and the preparedness landscape is changing constantly. When disaster strikes, you can count on BOMA International to help you adapt these resources to fit your most pressing needs.



BOMA/Utah meets with Rep. Jason Chaffetz (R-Utah).

# IN THE STATES

## State legislatures had a productive 2015-2016 session,

approving more than 29,000 bills. BOMA local associations and state coalitions maintained an active presence at city councils and in state capitols, and were successful advocating on behalf of commercial real estate. State and local legislators focused much of their efforts on taxes, energy benchmarking and economic development—all top-tier BOMA issues.

Many of this year's tax bills focused on making business more competitive and promoting economic growth. Some of the tax issues BOMA local associations and state coalitions encountered in 2016 included safeguarding historic preservation tax credits in Ohio and Missouri, reducing a statewide commercial and industrial property tax in Minnesota and opposing a split-roll tax measure on the California ballot.

Energy issues, particularly benchmarking for energy efficiency, continued to be a principal focus for BOMA. Mandatory benchmarking and disclosure ordinances, which typically require a property team to evaluate a commercial building's relative energy efficiency and publicly disclose this information, were introduced in some form in a number of cities, including Los Angeles, Denver and Orlando, Florida. BOMA International supports voluntary benchmarking and energy management, but opposes mandatory energy benchmarking, disclosure and labeling. These mandates create an undue burden on the industry that may hinder the overall goal of reducing commercial building energy usage.

Economic development, which is essential to the ongoing health of commercial real estate, also was a major topic this year. Several transportation initiatives aimed at relieving traffic congestion in the central business districts of several urban areas were considered. Improved transportation modes can lead to more time and increased productivity at the office, and stimulate additional commercial and residential development. Another economic development issue, the minimum wage, continues to be contentious. Congress has not taken any action on a federal minimum wage since 2009, and is unlikely to raise it in the near future. Because of this, states are implementing their own minimum wage increases. At least 12 states considered such legislation in 2016, and two—New York and California—adopted significant increases. Washington, D.C., also approved an ordinance that raises the city's minimum wage to \$15 per hour by 2020. Increasing the minimum wage is an issue commercial real estate will continue to monitor, as it could mean a dramatic rise in labor costs for real estate companies.

Going forward, the commercial real estate industry will continue to confront many of the same issues that were not resolved in 2016. New issues also will emerge, particularly in a year with so many newly elected state legislatures and governors. BOMA International stands ready to assist the industry in its efforts and can serve as a useful resource for advocacy throughout the country.

## A SNAPSHOT OF BOMA LOCAL ASSOCIATION AND STATE COALITION VICTORIES IN 2016

**BOMA/Baltimore** successfully opposed legislation that would have permitted the establishment of a registry for vacant and blighted buildings by a local government. In its testimony, BOMA/Baltimore pointed out that commercial properties often are purchased and held for a period of time when vacant. This should not imply that such buildings are "blighted," which itself implies a public safety hazard. There also are existing state laws requiring that vacant properties be appropriately maintained.

**BOMA Florida** successfully opposed state legislation that would have mandated redundant and unnecessary statewide alarm registration for commercial buildings.

**BOMA/Spokane** achieved a big win in the Washington State Supreme Court against a ballot initiative that, among other things, would have required proposed zoning changes involving large developments to be approved by voters in affected neighborhoods. The court ruled that the initiative was not valid, and it was taken off the ballot.

**BOMA/Metropolitan Washington's Virginia Section** successfully opposed legislation that would have required registration of vacant commercial properties with payment of an annual registration fee. Current law requires that vacant buildings comply with both the vacancy period of 12 months and the definition of "derelict building."

### BOMA.ORG RESOURCE: STATE LEGISLATION TRACKING



Keep up-to-date on what's happening in your state on commercial real estate issues. Visit the State & Local Issues section on **BOMA.org** under the Industry Issues tab.



BOMA/Dallas members Bill Moebius and JJ Jones visit with Rep. Pete Sessions (R-Texas).

# UP TO CODE

## 2018 International Code Council Development Cycle Results

BOMA International continues to be the sole commercial real estate association participating in the development of our nation's model building codes and standards. Over the years, BOMA's codes team has gained quite an impressive record of advocating for changes that positively affect the health, safety and welfare of today's building occupants. Working with code officials and other advocates in the code development community, BOMA strives to maintain codes and standards that are based on sound building science, address necessary concerns and provide common-sense solutions. At the same time, BOMA will defend the commercial real estate industry from any unsubstantiated mandates or retroactive requirements that unnecessarily add additional operating or maintenance costs that only benefit special interest groups or product manufacturers.

Below are just a few of the code changes considered last year that BOMA was able to prevent from being included in the 2018 *International Building Codes (I-Codes)*:

- Proposals that would have removed several of the height and area increases allowed when a building owner elects to install a non-required automatic suppression system throughout the building;
- Proposals to require fire-resistant coatings and firestopping systems to be labeled with manufacturers' product information at each location;
- A proposal to require a certain percentage of a roof or roofs of accessory buildings on a site to be reserved for the installation of on-site renewable generation systems (PV);
- A proposal to reinstate the 2012 solar heat gain coefficient (SHGC) values for windows and eliminate projection factor trade-offs in the prescriptive path method; and
- A proposal to separate areas within a building space by walls or limited openings to prevent simultaneous heating and cooling.

As successful as 2016 was, it was not without its challenges for BOMA's codes team. The latest code development cycle was the first time the International Code Council (ICC) allowed building, fire and other code officials to vote on the final outcome of the proposed changes remotely. ICC initiated this practice to make the code development process more inclusive for those code officials who are unable to attend the Public Comment Hearings. Working with our state and local associations, BOMA International was able to reach several code officials and share our concerns on the proposed code changes that would have presented our industry with the most dramatic consequences.

## DOLLARS SAVED

**BOMA International's codes efforts were instrumental** in saving the commercial real estate industry significant costs. Below are just a few examples:



**\$17,000** saved  
in additional costs per stairwell.



**\$25,000** saved  
in additional costs per elevator.



**\$36,000** saved  
in additional fire equipment costs per building.

*Values derived from an RS Means cost analysis summary of the changes to the International Code Council's 2015 I-Codes.*

The 2018 edition of the *I-Codes* is expected to be published sometime in 2017. BOMA's codes team has developed resources identifying the most significant code changes in this new edition that commercial real estate practitioners need to know before they are adopted locally. In addition to this resource, BOMA International also is creating a cost analysis of some of the most significant changes from the 2015 *I-Codes*. This analysis will be an essential resource to BOMA members who currently serve on code adoption committees. The new resource also will quantify the savings achieved through our codes advocacy activities.

## 2017: A YEAR TO BUILD A NEW CODES FOUNDATION

Originally, ICC had scheduled the development of the *International Green Construction Code (IgCC)* to occur in 2017. That all changed after ICC announced that an agreement had been reached with ASHRAE to merge the IgCC with the ASHRAE Standard 189.1 on high-performance green buildings. After more than two decades, 2017 will mark the first year since the creation of ICC that there will not be any code development hearings.

Rest assured there is more than enough to keep the BOMA codes team busy. We plan to take advantage of this



ICC KC 2016 F113-16  
IFC Next: F114-16  
Group B Public Comment Hearings



ICC KC 2016 CE105-16  
IECC-COMMERCIAL Next: CE107-16  
Group B Public Comment Hearings

BOMA International codes team members Steve Orlowski (left) and Andrew Klein testify at the ICC hearings in Kansas City in October 2016.

time to assist BOMA local associations and provide them with a cache of materials to help during the adoption process at the state and local levels. BOMA's codes team also will coordinate communication between members and local code officials for the 2021 ICC code development process. If there were any lessons learned from the latest code development cycle, it's that reaching out to online voters is critical. If your BOMA local association needs help getting a code committee started, wants to learn more about the code development process or needs assistance at the state level with code adoption, be sure to contact the BOMA International codes and standards staff.

### ASHRAE 90.1-2016 NOW AVAILABLE

The 2016 edition of the ASHRAE Standard 90.1, *Energy Standard for Buildings Except Low-Rise Residential Buildings* (ANSI/ASHRAE/IESNA 90.1-2016), is now available. ASHRAE 90.1 continues to be the most popular and widely used standard for designing energy-efficient commercial buildings in the United States. Those familiar with the standard will be surprised to learn about some of the formatting changes, such as single-column formatting, indentation of exceptions and italicized defined terms, which are intended to improve readability and use of the standard. Of course, there are a number of substantive changes that have occurred as well. Beginning in the 2016 edition, 90.1 also will include:

- Limitations on exterior and interior lighting power density levels, which will increase the use of LED lighting;

## BOMA.ORG RESOURCE: THE CODES TOOLKIT

This online resource helps BOMA local associations and members understand the code development process, from the development of the model codes to the adoption of codes at the state and local levels. The toolkit also includes resources to help members advocate for or against specific proposed code changes, which are even more important now that ICC has changed the voting protocol to allow for remote voting by code officials. Find the toolkit in the Building Codes & Voluntary Standards section on **BOMA.org** under the Industry Issues tab.



- Increased use of occupancy sensors to control lighting systems in commercial buildings;
- All climate zone data will now cite and extract information from ASHRAE Standard 169; and
- Appendix G (primarily used by buildings looking to become LEED-certified) is now a voluntary compliance path alternative to the standard.

BOMA International also is excited to announce the newest member to the BOMA codes team, Andrew Klein, a professional engineer from Pasco, Washington. He has assisted dozens of properties in successfully managing energy costs and obtaining compliance with the energy codes. Klein will be serving alongside Ernie Conrad, PE, our longtime representative on the ASHRAE 90.1 committee. With more than 30 years of experience in designing environmental systems and problem-solving indoor environmental control issues, Conrad has brought a wealth of practical knowledge to this committee. He has been instrumental in encouraging the committee to pursue energy efficiency through the use of performance options and creative alternatives. BOMA's codes team will continue to provide you updates on the committee's objectives and changes to the standards as they occur. To learn more

about these and other changes, be sure to visit BOMA's website at **BOMA.org**.

### MONTREAL PROTOCOL IMPACT ON COMMERCIAL HVAC EQUIPMENT

In October 2016, more than 170 countries signed an accord known as the "Montreal Protocol" to further reduce the global warming effects caused by hydrofluorocarbon (HFC) refrigerants. The protocol created a timeline for countries to begin phasing out the use of HFC refrigerants and the eventual ban of the product. The United States will begin phasing out HFCs in 2019. While there are alternative refrigerants available, such as ammonia and hydrocarbons, building owners need to know that these alternatives may not be compatible with the existing equipment designed to operate using HFCs. A number of manufacturers are in the research and development stages for alternative refrigerants, but concerns about flammability and energy efficiency remain. Those concerns have ASHRAE, ICC and the National Fire Protection Association (NFPA) technical committees studying the impact that alternatives will have on both new and existing HVAC systems. In the meantime, BOMA will continue to monitor this issue and provide updates as more information becomes available.



Members of BOMA/Philadelphia and BOMA/Pittsburgh meet with Sen. Bob Casey (D-Pa.) in Washington, D.C.



Rep. Joe Barton (R-Texas) poses with Angelique Wade, Kristine Lang and Steve Broom of BOMA/Dallas.

# GET INVOLVED, STAY INVOLVED

BOMA International's advocacy, codes and standards staff is continuously developing and utilizing tools to help our members make their political voices heard. Interested in getting more involved? Join a committee. Contact your policymakers and code officials. Reach out to a staff member below.



## **John Bryant**

*Vice President of Advocacy, Codes and Standards*

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John Bryant is responsible for leading BOMA's advocacy team on and off Capitol Hill. His primary issue area is energy and environment.



## **Emily Naden, LEED GA**

*Director of Federal Affairs*

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Emily Naden represents BOMA members on tax and finance issues in front of Congress and the federal agencies.



## **Scott A. Morris, CAE**

*Director of State and Local Affairs*

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Scott Morris liaises with BOMA local associations and state coalitions to help support their efforts in state legislatures and local governments.



## **Steve Orlowski**

*Director of Codes and Standards*

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Steve Orlowski represents BOMA in front of ICC, ASHRAE and other codes bodies, and he works on outreach to state and local code officials.



## **Dylan Isenberg**

*Advocacy Manager*

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Dylan Isenberg manages an array of BOMA's legislative issues and oversees emergency preparedness programming and the administration of BOMA's Political Action Committee (BOMAPAC).

BOMA's **Government Affairs Committee (GAC)** is the best way to get involved in the federal and state issues affecting the commercial real estate industry. The GAC is comprised of sub-committees focused on Energy and Environment, State and Local Affairs and BOMAPAC. Becoming an active voice in these committees allows you to guide BOMA's priorities.

BOMA's **Building Codes and Voluntary Standards Committee (BCVS)** is where members go to actively participate in the development of building code regulations drafted by organizations like ICC, ASHRAE and NFPA. BOMA is the only national commercial real estate association with an aggressive codes and standards advocacy program.

The **Preparedness Committee** serves as a resource before, during and after emergency events to ensure members have the best tools to respond appropriately and recover quickly from man-made and natural disasters. The committee also is designed to give industry leaders a forum to collaborate on ways to improve overall emergency preparedness and increase building security.

The **Industry Defense Fund Oversight Committee** administers funds from BOMA International's Industry Defense Fund (IDF) to ensure that adequate resources are available at the federal, state and local levels to fight for issues that are critical to commercial real estate. The IDF is instrumental in helping achieve advocacy successes and in giving a voice to the commercial real estate industry.





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