



Legislative Affairs Committee

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A Report to the Board of Directors, Sponsors and Members

Committee Chair Justin McCusker

February 2, 2017

February 6 - 8 Washington DC Leadership Retreat – Your Input Important

President Lance Ryan will be leading NAIOP SoCal next week in our nation's capital. Steve Pearson, Kevin Ivey, Brad Schmitt, Christina Hong and Peter Herzog will be accompanying him. A key part of the Retreat is the visits with congressional offices. In addition to issues specific to SoCal, we discuss with members of Congress broader issues. NAIOP Corporate has focused on three areas:

- > **Push for fundamental tax reform** that is rooted in sound, long-term tax policies that will enhance capital formation and job growth.
- > **Transportation and infrastructure**, which is also critical to our SoCal members. The focus here is the need to invest in our transportation infrastructure, as it has not kept pace with the needs of the country causing harm to our long-term economic competitiveness.
- > **Capital and credit availability**. There is a strong need to prevent excessive regulatory overreach and to ensure the financial markets and lending institutions are able to meet the needs of commercial real estate investors.

Without a doubt, the election of President Trump and the large number of California's political leaders vowing to fight the new administration will make this a most interesting, difficult, and unique visit. NAIOP SoCal will be discussing with many people and our congressional delegation how to prevent the animosity being created from negatively impacting the future of California. We are in very challenging and uncertain times in this state, and the input of the Board on the best messages to take to Washington, now and in the future, would be very beneficial. We look forward to hearing your thoughts.

Requested Information: Board Members share your priorities for discussions in Washington.



Visit www.goestoofar.com and **TAKE ACTION NOW TO OPPOSE!**

- Get the Facts!
- Add Your Name to Opposition!
- How to help – Tweet • Graphic Face Book Posts • Download Sample Emails to Friends • Download Window Sign • Volunteer • Contribute

Your Help Needed To Defeat Measure S

City of LA Building Moratorium Ballot Initiative - March 7 Vote!

Measure S is a housing ban that would indefinitely ban most new housing in Los Angeles, increasing rents, destroying jobs, and making the homeless problem even worse. This measure will prevent any commercial or residential development in the City for at least two years if the project needs a zone and/or general plan amendment, which is essentially any project in the City. This must be defeated. The supporters of Measure S are well funded and organized. So, the threat of this passing is very real, and everyone's help will be needed to defeat the measure. NAIOP SoCal will be putting out information to

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the NAIOP membership to support the NO campaign. The opposition campaign has a website, www.goestoofar.com, that provides all the information you need on how to help and donate to the NO campaign. Obviously, if you live in the City of Los Angeles **Vote NO on Measure S**, and please spread the word to anyone in the City of LA to vote NO. The crippling impact of Measure S cannot be overstated. The NAIOP So Cal Political Action Committee will be considering a contribution to the campaign to defeat the measure. Individual contributions are also important and needed.

Los Angeles County Elections

Your NAIOP SoCal PAC (Political Action Committee) is joining with the Los Angeles BizFed PAC in evaluating the candidates and issues in the various 2017 city elections including the City of Los Angeles where Mayor Garcetti and 8 members of the council are up for election on March 7. In districts where a candidate does not receive a majority, a run-off election will be held on May 16, 2017. A total of 55 Los Angeles County Cities will hold elections in March, April, May, June and November 2017.

Requested Action: Board Members and NAIOP Members who would like a complete list of cities holding elections or who would like to request that NAIOP PAC look at specific elections and the possibility of contributing to candidates, please contact Director of Legislative Affairs Vickie Talley at Vickie@talleyassoc.com.

Lawsuit Filed Against Measure A – The Per Square Foot Parcel Tax Approved in November 2016

As you will recall, in 2016 LA County proposed a unique 3 to 5 cent per square foot parcel tax on the structural improvements on the property to pay for parks. NAIOP SoCal led the effort to oppose the measure. While the measure, Measure A, was ultimately approved by the voters, the amount of the tax was cut from 3 to 5 cents to 1.5 cents saving our NAIOP SoCal members tens of millions of dollars. An individual has now filed a lawsuit to block Measure A. The lawsuit does not make a Prop 13 constitutional argument. Instead, it alleges a violation of Public Resources Code Section 5566, which requires such a parcel tax “to be applied uniformly to all taxpayers.”, claiming the square foot provision means the new tax cannot be applied uniformly. Your Legislative Affairs Committee is monitoring the lawsuit to see if there is any role NAIOP could play regarding the case. Due to NAIOP’s key role in opposing Measure A, we did want to advise you of this challenge. We will keep the Board apprised of important developments.

OCFA and Anaheim Fire Agencies Reviewing Fees

The City of Anaheim tabled the discussion of increasing fees and building regulations on commercial buildings. NAIOP SoCal did go on record opposing the recommendations. The Orange County Fire Authority has begun their fee evaluation and has invited NAIOP to meet with them to discuss the proposals.

Please Join Us!

Your Legislative Affairs Committee invites you or a representative from your company who manages the company’s government relations to join our committee. The Legislative Affairs Committee meets on the third Thursday of the month for a working lunch in Costa Mesa at the offices of Snell and Wilmer with conference call in capability.

OF NOTE ~ In a meeting with business leaders on January 23, 2017 President Trump promised to “cut regulations by 75%” and on January 30, he signed an executive order aimed at slashing federal regulations to help business ~ “the one in, two out” plan requires federal agencies requesting new regulations to cut two existing regulations!



“The only difference between the tax man and a taxidermist is that the taxidermist leaves the skin.”
- Mark Twain