

Apartment Association
OF ORANGE COUNTY

Strengthening the Voice of Business Since 2008



## NAIOP

COMMERCIAL REAL ESTATE DEVELOPMENT ASSOCIATION

NAIOP OF CALIFORNIA







SoCAL CHAPTER













March 14, 2024

Hon. Vanessa Delgado, Chair South Coast Air Quality Management District Governing Board 21865 Copley Dr. Diamond Bar, CA 91765

Dear Chair Delgado and Governing Board members -

The undersigned organizations, representing individual residential and commercial property owners and property managers, various trade associations, and individual companies in the region, urge you to defer consideration of Proposed Amended Rule 1146.2 to allow for additional input and dialogue from the numerous stakeholders potentially impacted by this proposed rule.

First and foremost, we have significant concerns regarding the lack of outreach and awareness regarding PAR 1146.2. A number of the signatories to this letter only recently learned of this rulemaking and have significant concerns about the potential cost impacts and feasibility of what is proposed. While we appreciate staff's most recent revisions to the proposed rule language, we continue to have serious concerns regarding the mechanical, electrical, structural, plumbing and other requirements necessary to comply with retrofits of existing commercial and multifamily residential properties, the utility costs associated with upgraded service, and the cost implications to our commercial and residential tenants.

In effect, your staff is asking millions of residents and small business owners throughout the South Coast Air Basin to subsidize SCAQMD emission reduction efforts, either directly through the additional and substantial costs of replacing existing water heaters, boilers, and other relevant units ahead of the end of their useful life, or indirectly via rent increases necessitated by the cost of rule compliance. No one wants clean air and water more than the thousands of property owners and managers that benefit from these and other quality of life benefits that draw and retain the residents and business owners who populate our properties. However, this proposal will have consequences that will lead to a multitude of negative impacts, impacting jobs and increasing the cost of living in our region.

We urge the SCAQMD Governing Board to continue consideration of PAR 1146.2 for no less than three months and to instruct District staff to reach out to our organizations and others to ensure a robust dialogue regarding the feasibility of the various components of this proposed rule and its potential costs and practical implications.

Sincerely,

Los Angeles County Business Federation (LA BizFed) Apartment Association of Orange County

California Cleaners Association

**NAIOP** of California

Milt & Edie's Drycleaners & Tailoring Center Building Owners & Managers Assoc. (BOMA) CA

NAIOP SoCal Chapter

Construction Industry Air Quality Coalition (CIAQC)

Construction Industry Coalition on Water Quality (CICWQ) CA Building Industry Association

CA Manufacturers & Technology Association (CMTA) CA Business Properties Association (CBPA)