



March 21, 2025

TO: The Honorable Eloise Reyes, California State Senate
The Honorable Juan Carrillo, California State Assembly

FROM: California Business Properties Association
AIR CRE
Building Owners & Managers Association of California
California Asian Chamber of Commerce
California Business Roundtable
California Retailers Association
California Grocers Association
California Hispanic Chamber of Commerce
California Manufacturers and Technology Association
California Taxpayers Association
California Trucking Association
Can Manufacturers Institute
City of Bakersfield
City of Beaumont
City of Eastvale
City of Industry
City of Merced

City of Rancho Cucamonga
Fresno County Economic Development Council
International Warehouse Logistics Association
Inland Empire Economic Partnership
ICSC
Institute of Real Estate Management of CA
Los Angeles Area Chamber of Commerce
Los Angeles County Business Federation
NAIOP California
NAIOP Inland Empire Chapter
NAIOP San Diego Chapter
NAIOP Southern California Chapter
Orange County Business Council
San Diego Regional Chamber of Commerce
Southern California Leadership Council
Supply Chain Federation

RE: ***AB 735 (Carrillo) & SB 415 (Reyes) – AB 98 Warehouses - TECHNICAL FIX***
NO POSITION - Suggested Amendments Provided

On behalf of the organizations listed above, we appreciate your efforts to address the uncertainty surrounding AB 98 (Carrillo & Reyes; Chapter 931, 2024) through AB 735 and SB 415. Ensuring clarity and predictability for impacted stakeholders is critical, and we recognize that these measures aim to refine technical issues related to implementation in a way that balances the intent of the original bill and regulatory objectives with practical application.

We value your commitment throughout this process to address technical issues and your willingness to meet with stakeholders to discuss key areas in need of clarification. AB 98 introduced significant new regulatory requirements affecting

the logistics, warehouse, agricultural and manufacturing sectors, and while the broader framework remains in place, there are areas that would benefit from additional refinement.

We look forward to continued discussions to ensure that necessary adjustments effectively address the following key issues:

1. Effective Dates and Exemptions: Clarify which current and future projects are governed by the law.
2. Redevelopment and Infill: Address the impact on infill, urban, and redevelopment projects, including a brownfield exclusion for existing industrial assets requiring updates.
3. Expansion Threshold: Clarify the language on existing building expansion, including the applicability of the 20% threshold and whether expansion includes demolition and reconstruction.
4. Buffers, Orientation & Internal Circulation: Provide clarity on buffers, building orientation, landscape and screening requirements, drive aisles, loading bays, cross-dock issues, and internal circulation.
5. Truck Routes: Resolve issues related to local government burdens, timeline concerns, rural routes, and enforcement mechanisms.
6. Exemptions for Critical Sectors: Consider clarifications or exemptions for industries that may not align with traditional logistics uses.
7. Housing Replacement: Clarify replacement and fair share requirements, particularly in distinguishing affordable versus market-rate housing and determining responsibility for development.
8. Enforcement: Define enforcement mechanisms to provide consistency and avoid unnecessary legal disputes.
9. Definitions & Consistency: Address ambiguous terms, ensure clarity for multi-building projects, and align dates and terminology for consistency.

Finally, we have provided under separate cover, a document that pulls together language from many different stakeholders that would help implement these technical fixes. The language has been reviewed by attorneys and local officials and companies that are directly involved in the entitlement processes to provide a base technical document that assures less technical issues in areas that get addressed moving forward.

We appreciate the opportunity to provide input on these legislative efforts and look forward to continued engagement to ensure that any adjustments made reflect a balanced and effective approach.

For additional information, please contact Skyler Wonnacott, California Business Properties Association (CBPA), at (916) 960-3951 or swonnacott@cbpa.com.

Thank you for your continued collaboration.

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