



March 2008



Upcoming Events

Hawaii Alliance Program
Honolulu, HI
March 19

No. Virginia Alliance
Program
Arlington, VA
March 26

South Carolina Alliance
Program
Greenville, SC
April 15

East Michigan Alliance
Birmingham, MI
April 17

Richmond Alliance
Luncheon Program
Richmond, VA
April 17

ICSC Members Lobby Congress on Key Industry Issues

ICSC members turned out in full force for the annual Strategic Leadership Summit in Washington, DC on March 4 and 5. This year 160 ICSC members from 33 states met with 225 Congressional offices to discuss legislation impacting the retail real estate industry, including Sales Tax Fairness, brownfield cleanup incentives and leasehold depreciation elements of the tax extender package, changes to the carried interest tax rate, expansion of federal governance over wetlands and solar energy tax credits. Former Speaker of the House Newt Gingrich served as the Tuesday luncheon speaker and discussed the current political climate and the upcoming November elections.



L to r: Tyrone Sanders (Public Affairs Associates), ICSC Central Division GR Co-Chair Paul S. Magy, Esq. (Kupelian Ormond and Magy, PC), and Cynthia Kratchman (Landmark Commercial Real Estate) meet with Rep. Joseph Knollenberg (R-MI).

The next annual Government Relations event will be the 2008 Government Relations Committee Meeting, scheduled for Nov. 17-18, in Chicago, IL.

Register Now for the Brownfields 2008 Transaction Forum



ICSC is a proud sponsor of the the Brownfields 2008 Transaction Forum at the COBO Center in Downtown Detroit on May 4-7, 2008. The event attracts more than 1,000 real estate developers and investors with net worth exceeding \$50B and 6,000+ public/private stakeholders from 20 States and five countries. Register your sites at www.brownfields2008.org/btf.



Monday, May 19
5:00 p.m. - 6:30 p.m.
Alliance Reception
(By Invitation Only)
LVCC

A chance for developers, retailers and other private sector members to network with public sector attendees, including mayors, city managers, economic development directors and other public officials. For more information contact ICSC Alliance Associate Lucia Patrone at lpatrone@icsc.org.

Tuesday, May 20
9:15 a.m. - 10:30 a.m.
"Transit Oriented
Development Strategies"
Las Vegas Hilton

3:00 p.m. - 4:30 p.m.
"Navigating Political Speed
Bumps, Detours and Roadblocks"
Las Vegas Hilton

State News State News State News State News

Arizona

- In Arizona, the Omnibus Energy Act of 2008 has passed out of the Water and Agriculture Committee. The bill establishes a cap for county and municipality permit fees for residential and nonresidential photovoltaic systems and solar water heating systems. The permit fee may not exceed \$100 for a solar water system; \$200 for a residential photovoltaic system and \$1,000 for non-residential photovoltaic systems.

H.B. 2766 also requires commercial builders who build more than 50,000 square feet of space per year to report information on the buildings' energy efficiency to the county or municipality, and defines "energy efficient building" as new residential and commercial buildings that meet or exceed specific national energy efficiency standards.

- The Phoenix City Council has permanently withdrawn its big box ordinance. The ordinance would have required a special building permit for large scale retail projects over 130,000 square feet, onsite stipulations and a redevelopment plan. The withdrawal of the ordinance was due to opposition from ICSC and a strong coalition of industry groups.

California

- Business and industry groups in California have formed a coalition to oppose A.B. 1065, which would mandate that all buildings (residential and non-residential) reduce their consumption of energy by 20% in 2015 and 80% no later than 2030. The bill is currently before the Senate Transportation and Housing Committee.

Maine

- Shopping center owners in Maine have been following a free speech bill that would amend the Maine Civil Rights Act to grant demonstrators and petition gatherers guaranteed access to shopping center properties. Advocates of L.D. 1540, a carryover bill from 2007, believe legislative action is necessary because public gathering places, which were traditionally located in downtowns, are moving to shopping centers in suburban areas. ICSC and a coalition of Maine businesses have strongly opposed the measure.

The bill was heard in February in the House Judiciary Committee where the Maine Attorney General testified before the committee on the constitutionality of the bill. At the hearing, a deputy attorney general said that with certain modifications, the bill would be "defensible." The House panel did not find this analysis convincing enough and voted the bill "ought not to pass" by a vote of 7-3. While the bill was not approved in committee, under Maine legislative rules it still proceeds to the House floor for a full vote of the body.

Maryland

- In 2007 the Maryland House Environmental Matters Committee considered H.B. 1110, a bill that sought to limit Common Area Maintenance (CAM) charges and mandate auditrights for tenants. The Committee ultimately chose not to vote on the measure, effectively killing the bill. ICSC's Maryland Government Relations Committee's grassroots efforts to coordinate meetings and calls with legislators were instrumental in the bill's defeat. Despite last year's outcome, the bill has been reintroduced in 2008 as H.B. 13. ICSC is continuing to work against this bill.

Massachusetts

- A sweeping energy bill has gone to a six-person conference committee in

Massachusetts. Senate Democrats said popular tax policy-driven plans to boost renewable energy and alternative fuels present in the House version (H.B. 4373) are not currently feasible because of the state's tight fiscal status and slow growth in tax revenues.

- The Massachusetts House recently passed a Senate bill regulating gift certificates. A key and controversial stipulation of the bill is its requirement that retailers offer cash redemption for gift certificates with remaining balances of \$5 or less. While the legislation is designed to ensure that customers get the full value of their gift certificates since small balances often remain unclaimed on certificates, there are fears that this detail of the legislation would create many logistical problems for retailers.
- The House Public Safety Committee gave a favorable recommendation to H.B. 2284, a bill that requires buildings of more than 7,500 gross square feet in floor area to have automatic sprinklers throughout the building. An amendment relative to historical building exemptions is expected.

Minnesota

- A bill introduced in the Minnesota Senate, S.F. 2706, calls for the development and application of building energy usage performance standards. The bill requires the Commissioner of Administration to contract with the Center for Sustainable Building Research at the University of Minnesota to coordinate the development of the standards. It would then require utilities to implement the conservation improvement programs developed. The bill has its first hearing in the Senate in February. It has yet to be introduced in the House.
- A bill introduced in the Minnesota House, H.F. 2746, would require any retail or wholesale establishment to institute a plastic bag recycling program. The legislation requires that plastic bags provided by a store have "Please Reuse or Recycle at a Participating Store" printed on the outside of the bag. The bill also requires a bin for the plastic carryout bags be placed in a visible location for the consumer. A working group has been authorized to work on the legislation before being sent to the full Environment Committee.

New York

- New York is threatening to take away tax breaks from several New York City businesses. Last year, the Empire State Development Corporation (ESDC) sent out 3,000 letters to NYC companies that have enjoyed generous tax credits through the Empire Zone Program, warning owners of possible decertification if employment mandates have not been met.

As many as 28 companies could be ousted from the program for not meeting requirements. In response to the ESDC letter, nearly 500 companies dropped out of the program statewide. Since 2007, the program has grown 15% and cost taxpayers nearly \$523 million. After intense scrutiny from government groups and lawmakers, the state recently instituted new guidelines to ensure accountability that will affect new businesses entering the program.

Texas

- The Texas Senate Government Organization Committee will study whether Texas should adopt high performance building standards. In light of the potential impact of Texas' population growth on the need for electricity and water, the Committee is to examine whether high performance buildings can lower utility costs and make more efficient use of natural resources.
- The Texas Senate Business & Commerce Committee is studying the advantages and disadvantages of developing a building code specific to coastal

properties in order to mitigate hurricane damage. The focus is on avoiding catastrophic losses of property during a major storm. The committee is to specifically consider Florida's building code, which applies to the designation of Enhanced Hurricane Protection Areas (EHPAs) that meet specific criteria to provide shelter and protection for up to eight hours following a catastrophic event.

Vermont

- The Vermont Senate Natural Resources and Energy held a hearing on S. 350 on February 26. The bill establishes an energy efficiency training and education program for builders, contractors, building managers, buildings enforcement officials, building owners, and others that is designed to deliver high-quality training on various energy efficiency construction and energy management topics and to train buildings professionals to promote energy efficient construction and ensure ongoing energy management in buildings. In addition, the program is to provide assistance to design teams and building owners with regard to preliminary studies of energy optimization options, and to ensure that Energy Star benchmarking, target finder, and other tools used to establish targets and goals and to track progress are incorporated into everyday design.

Virginia

- The Virginia Senate passed S.B. 791 on February 4, which redefines the term "incentive zoning" as the use of bonuses in the form of increased project density or other benefits to a developer in return for the developer providing certain design elements, uses, services, or amenities desired by the locality. This includes but is not limited to, site design incorporating principles of new urbanism and traditional neighborhood development, environmentally sustainable and energy-efficient building design, affordable housing creation and preservation, and historical preservation, as part of the development. The bill is awaiting further consideration in the House Counties, Cities and Towns Committee.

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