February 21, 2024

The Honorable Marc Korman
Chair, House Environment and Transportation Committee
Room 251, House Office Building
Annapolis, Maryland 21401

> RE: House Bill 889 - Building Code - Construction and Significant Renovation of Housing
> Units - Electric Vehicle Parking Spaces
> UNFAVORABLE

Dear Chair Korman and Members of the Committee,

I am writing in my capacity as both the Legislative Chairman of the Building Owners and Managers Association of Greater Baltimore (BOMA), and as a member of its Board of Directors, to respectfully request an unfavorable report on House Bill 889.

BOMA, through its nearly 300 members, represents owners and managers of all types of commercial property, comprising 143 million square feet of office space in Baltimore and Central Maryland. Our members' facilities support over 19,000 jobs and contribute $2.5 billion to the Maryland economy each year.

First, it important to place the significant and expensive requirements of this legislation in a broader context. Maryland has, for a number of years, promoted the "electrification" of motor vehicles as part of a larger philosophy to move away from fossil fuels as an energy source and toward renewable resources. The salient example of that philosophy was the enacted of Senate Bill 528 in 2022 – the Climate Solutions Now Act. BOMA members and all commercial property owners are struggling to comply with the evolving requirements of that Act.

First, this legislation directly addresses the subject of urban development for residential property. And it can be fairly considered as running counter to our renewable energy policy in its requirements to convert existing parking spaces to incorporate electric charging stations. The future of urban development is, and should be, transit oriented. Mandating a certain number of spaces to accommodate electric vehicles will require developers to build more regular parking spaces (in order to drive transient revenue), and because in our jurisdiction parking garages are not subject for FAR (floor area ratio) calculations, the result will be public encouragement of building more structured parking rather than less.

Floor area ratio (FAR) is the measurement of a building's floor area in relation to the size of the lot/parcel that the building is located on. FAR is expressed as a decimal number, and is derived by dividing the total area of the building by the total area of the parcel (building area ÷ lot area). In zoning in addition to height restrictions, jurisdictions have limits on the FAR allowed.

We should also point out that the definition of "multifamily residential building" would appear to include mixed use buildings which represent a primary and publicly acceptable practice in commercial construction today. Therefore, the bill would automatically increase the cost of mixed use development, as described above.

Second, the bill's provisions are triggered by a "significant renovation," as defined in the bill. That definition includes "parking upgrades that involve repaving or trenching in or around parking spaces." This definition is so vague that it could include any repair near a parking space no matter how small. Similarly, trenching is not adequately defined – there is no minimum area for this activity, for example.

One of our BOMA members has reported cost estimates for such work at an actual Baltimore City building. It is as follows:

- Bringing additional power to the building for 30 electric vehicle units - $160,000
- Bringing power to individual parking spaces - $10,000 per space

The total cost is thus estimated at approximately $300,000, a very significant expense by any measure against a need that is highly speculative. BOMA respectfully believes that the best way to accomplish the goals of the bill is to allow the market to do so.

For the foregoing reasons, BOMA respectfully requests an unfavorable report on House Bill 889.

Sincerely,

Kevin J. Bauer
BOMA Legislative Chair

cc: Bryson Popham