

Implementing the Private Sector Green Building Policy

Draft Ordinance Development

Green Vision Goal #4:

“Build or retrofit 50 million square feet of green buildings.”



Green Building Policy

- Adopted by City Council October 7, 2008
- Green Building requirements determined at development permit stage (PD Permit, CUP, SUP, & Site Development Permit)
- Green Building standards are 3rd party certification standards (LEED or Build it Green)
 - LEED and BIG provide regionally consistent standards
 - Are recognized by HBA, ABAG, Cities Association
- Applicant chooses appropriate rating system-either LEED or Build It Green

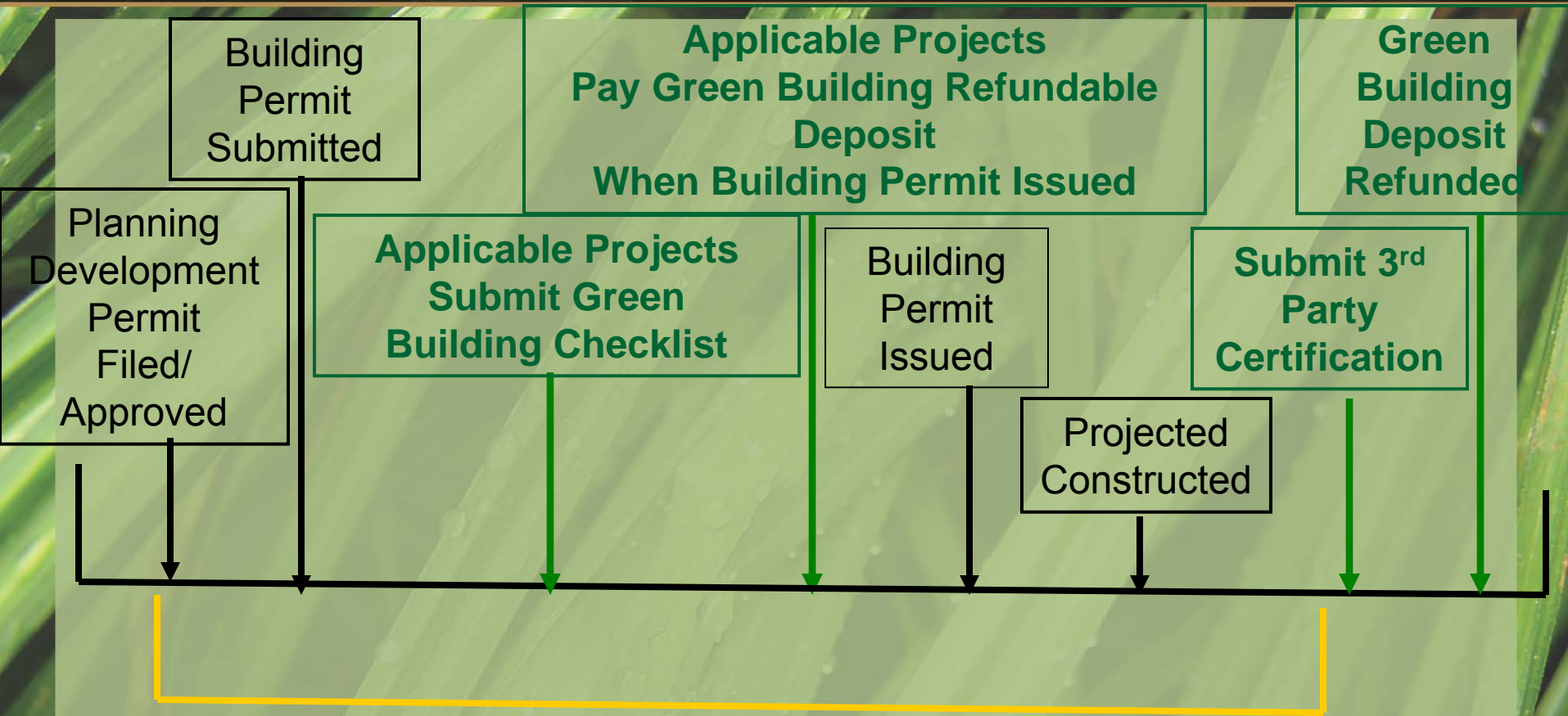


Adopted Policy – New Construction

Market Segment	Step 1 January 1, 2009*
Commercial / Industrial Tier 1	< 25,000 square feet = LEED Checklist
Commercial / Industrial Tier 2	≥ 25,000 square feet = LEED Silver Certification
Residential Tier 1	< 10 units = GreenPoint Rated Checklist or LEED Checklist
Residential Tier 2	≥ 10 units = GreenPoint Rated (50 pts) or LEED Certified
High Rise Residential 75' or higher	LEED Certified



GB Policy in Development Process



Project Applies for and Receives 3rd Party Certification



Ordinance Mechanics

- Green Building Refundable Deposit
- Pipeline-Projects in Process
- Anticipating Circumstances of Hardship



Refundable Deposit Considerations

- Applicable to Projects Requiring 3rd Party Certification
- Deposit intended to encourage compliance
- Payable at Building Permit Issuance
- Administration of refund aligns with CDDD Deposit Program



Refundable Deposit (cont)

Other Cities with Deposit Systems

- Washington DC
 - 2-4% of Total Building Cost, with a max deposit of \$3 million
- Livermore, CA
 - \$2.00/square foot
 - per residence - min deposit of \$3,000 and max deposit of \$10,000
 - per commercial development - min deposit of \$10,000 and max deposit of \$100,000



Proposed Refundable Deposit

Proposed Amount

- Flat Rate of \$0.30/ gross sq ft (\$30,000 maximum deposit cap)
- Examples of Approximate Deposits
 - Residential project of 10 or more units in size= \$600/unit
 - Commercial project of 25,000 square feet=\$7,500 total

Proposed Timing

- Payable at Building Permit Issuance
- Refund issued upon 3rd party certification

Proposed Refund Requirements

- 3rd party certification to be received within 1 year after building permit becomes inactive.
- A project becomes inactive after building final inspection or when deemed inactive through official building process because no activity has occurred on the project



Pipeline Considerations

- To avoid difficulties for projects on file prior to GB Policy effectiveness date (1/1/09)
- Projects already far into the process may not have been designed with green building principles



Pipeline-Adopted with Policy

Development Permit	January, 2009	July, 2009
On File/In Process	◆.....◆	◆————▶
New	◆————▶	

◆.....▶ Not subject to policy

◆————▶ Subject to Policy



Hardship Considerations

- The Director of PBCE would decide on projects that claim hardship to meeting the green building standards
- Request for hardship could be made at any point in development process
- The Director may be able to accept a modified standard of compliance



Hardship Considerations (cont.)

- What would be the basis of hardship consideration claims for obtaining green building standards?
- Whom in the development community (other than USGBC& BIG) could perform verification services for hardship? Recognizing that Designed Green and Built Green are not the same.
 - Concerns about conflicts of interest and credibility?
- What would be alternative compliance standards for hardship?
 - Meeting Minimum Energy Compliance(10-15% above Title 24)?
 - Demonstrating Green Building Features?



Future Options-Worth Exploring?

- City does NOT have staff resources now to provide an in-house alternative to 3rd party green building certification:
 - Should the City explore the in-house certification model in the long-term future?
 - Any concerns about City offering an optional cost recovery service for verification of compliance?



Recap of Questions

Any Comments on:

- Proposed Green Building Deposit Rates and Administration?
- Pipeline Modifications?
- Hardship Considerations?
- Developing Future City In-House Verification Service Option?



Next Steps

- Return to Roundtables and General Meeting with recommended Draft Ordinance provisions
- City Council Considers Draft Ordinance
 - Tentative Date-June 9, 2009
- For further comments contact:
Reena Mathew
reena.mathew@sanjoseca.gov
(408)535-7844





LEED & Build it Green

Evaluate a building's sustainable features, including, but not limited to:

- Resource Conservation
- Indoor Air Quality
- Water Conservation
- Community Connectivity
- Energy Efficiency
- Construction Practices
- Use of Recycled/Renewable Materials
- Access to Alternative Modes of Travel



3rd Party Certification-LEED fees

Fees for Members of USGBC

LEED for: New Construction, Commercial Interiors, Core and Shell, and Schools	Less than 50,000 Square Feet	50,000-200,000 Square Feet	200,001-500,000 Square Feet	More than 500,000 Square Feet
Registration Fee	\$450			
Certification Fees				
Design Review (~\$0.025/SF)	\$1,250	\$1,250-\$5,000	\$5,000-\$12,500	\$12,500
Construction Review (~\$0.01/SF)	\$500	\$500-\$2,000	\$2,000-\$5,000	\$5,000
Total	\$2,200	\$2,200-\$7,450	\$7,450-\$17,950	\$17,950



3rd Party Certification-Build it Green

Build It Green Fees

Item	Single Family (per home/unit, waived for single custom home)	Multifamily (multifamily master certificate/rental complex)
Project Application Fee	\$400 per project, due with application	\$400 per project, due with application
Processing and Certificate	\$50 per home, invoiced to rater at time of application	\$100 per project, invoiced to rater at time of application
Project Pre-Construction Review for GreenPoint Rated Logo Use	\$350 per project, invoiced to builder due upon application	\$350 per project, invoiced to builder due upon application
Subtotal: (Amount owed to BIG)	\$800	\$850
Average GreenPoint Rater Fees	\$700-\$1500	\$3750-\$6000
Total	\$1500-\$2300	\$4600-\$6850



GB Features During Planning

