CITY OF ALBANY CITY COUNCIL AGENDA STAFF REPORT

Prepared Date: 11/28/05 Agenda Date: 12/5/05 Reviewed By: _____

SUBJECT: Status of proposed sustainability-related ordinances

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STAFF RECOMMENDATION

Information only. No action required.

BACKGROUND

In September 2005, the City Council updated their goals for the City of Albany. Land Use Goal #3 was to "Support a Green Building ordinance" (also Infrastructure Goal #7). To assist in meeting these goals, and to help the City of Albany become a more environmentally responsible jurisdiction, staff will be bringing forward guidelines and/or regulations in the three following areas:

- Green Building
- Construction and Demolition Debris Recycling
- Recycled Water

These documents are tentatively scheduled to be heard by the Planning and Zoning Commission in the first Quarter of 2006. Following is a brief description and preliminary financial impacts for each of these areas.

GREEN BUILDING ORDINANCE

Green Building is a process to create buildings and supporting infrastructure that minimize the use of resources, reduce harmful effects in the environment and create healthier environments for people. The benefits of green design include both environmental and economic benefits, such as a reduction in air pollution, water pollution and solid waste, healthier and safer indoor environments, reduction in operating costs and optimization of life cycle economic performance.

To assist member jurisdictions in better meeting these goals, Alameda County Waste Management Authority (ACWMA) has prepared a model "Green Building Ordinance" which requires that city-sponsored projects meet a minimum certification level as defined

by the Leadership in Energy and Environmental Design (LEED) Green Building Rating System.

LEED is written and maintained by the non-profit US Green Building Council (USGBC) to rate new and existing commercial, institutional, and high-rise residential buildings according to their environmental attributes and sustainable features. The LEED system utilizes a list of 34 potential performance based "credits" worth up to 69 points, as well as 7 prerequisite criteria, divided into six categories:

- o Sustainable Sites
- Water Efficiency
- o Energy and Atmosphere
- o Materials and Resources
- o Indoor Environmental Quality
- o Innovation and Design Process

Four levels of LEED certification are possible, depending on the number of criteria met:

0	LEED Certified	26 - 32 points
0	LEED Silver	33 - 38 points
0	LEED Gold	39 - 51 points
0	LEED Platinum	52+ points

Currently, 4 of the 14 cities in Alameda County have adopted Green Building Ordinances. Those cities, and the threshold level at which the ordinance requirements must be met, are:

- Pleasanton all City-sponsored construction projects and all commercial construction projects that include 20,000 gross square feet or more of conditioned space. All projects shall meet a minimum LEED "Certified" rating.
- o Livermore all city projects, except traditional public works projects, shall meet a minimum LEED "Silver" rating.
- o Berkeley all City-sponsored construction projects involving the construction or renovation of 5,000 gross square feet or more of occupied space, and with a construction estimate that exceeds \$200,000 in 2003 dollars. Currently, all projects must meet a LEED "Certified" rating. After January 1, 2006, all covered projects shall meet a minimum LEED "Silver" rating.
- O Dublin all city projects with an estimated cost of construction of \$3,000,000 or greater shall meet a minimum LEED "Silver" rating. All city projects with an estimated cost of construction less than \$3,000,000 shall be designed and constructed using as many green practices as appropriate to the project as specified in the Operational Guidelines.

As shown above, the project threshold levels are different for each city. The appropriate threshold for the City of Albany is a policy issue that staff will analyze more closely before bringing the draft ordinance to the Planning and Zoning Commission and the City Council for deliberation and determination.

Financial Impact of Green Building Standards

In October 2003, the California Sustainable Building Taskforce received a report titled "The Costs and Financial Benefits of Green Building". The report looked at the total cost to construct 33 LEED designated projects in comparison with the cost of a conventional design for those buildings. The study found that the average premium for designing for a green building is slightly less than 2% (or approximately \$3-5/ft² in 2003 dollars) over the conventional cost, and will result in life cycle savings of 20% of total construction costs. For example, an initial upfront investment of up to \$100,000 to incorporate green building features into a \$5 million project would result in a savings of \$1 million in 2003 dollars over the life of the building. The savings come from reduced energy, waste and water consumption; lower operations and maintenance costs; and enhanced occupant productivity and health. Energy savings alone exceed the average increased cost associated with building green.

In addition to the life cycle cost savings, ACWMA also offers financial incentives to jurisdictions at the beginning of the process. Their services include free design assistance and green building grants for public and public-benefit projects. To be eligible, the building must be either publicly-owned, publicly-funded, or a public-benefit project, such as affordable housing, developed by a non-profit organization. Eligible projects can receive free design assistance such as:

- o Assistance with preparation and review of Requests for Qualifications and Requests for Proposals
- o Facilitation and review services at various levels of project completion, including project review, design charette, schematic design, design development, construction documents, build out and commissioning
- o Selection and specification of appropriate green building materials
- o Presentations and trainings to city staff, elected officials, contractors and architects

CONSTRUCTION AND DEMOLITION DEBRIS RECYCLING

The current diversion rate for the City of Albany is 63%, as calculated within the 2003 annual report to the State of California. Measure D, and Alameda County ballot initiative from 1990, requires that at least 75% of all discarded materials in Alameda County be diverted from landfills by 2010. The current Albany diversion rate will likely increase slightly as certain programs, including commercial organics recycling, become more mainstream. However, to achieve a 75% diversion rate by 2010 will require targeting other waste streams that are not effectively diverted from the landfill. The most effective diversion is of construction and demolition debris, as this debris is generally comprised of heavy weight. It is estimated that about 30% of the waste that goes into landfills is construction and demolition debris.

As part of the city's 2004 Franchise Agreement with Waste Management of Alameda County, there is a provision for "Construction and Demolition Debris Collection". It states

that Waste Management shall collect C&D from residential and commercial customers and shall process it so that 50% (measured by weight) of the C&D collected is diverted. Waste Management will track the amount of waste collected, processed, disposed and diverted and provide supporting documentation.

To assist with this process, and to allow the City to meet its recycling goals, staff will be recommending the adoption of a Construction and Demolition (C&D) Debris Recycling Ordinance. The ordinance will include threshold levels for which construction, demolition and/or renovation projects will be required to meet the recycling requirements. For those projects that do not meet the threshold levels, staff will provide materials encouraging the applicant to meet the diversion requirements.

C&D recycling ordinances have proven to be effective in other cities in the area. For example, an article dated November 4, 2005 in the Contra Costa Sun stated that the City of Orinda's ordinance, which sets the threshold at projects valued at \$50,000 or more, or 1,000 square feet or larger, generated 118 tons of recycling in 2004. The City of Lafayette's ordinance, with a threshold of \$50,000 or 5,000 square feet, resulted in 59 tons.

Currently, 7 of the 14 cities within Alameda County have adopted a C&D Recycling ordinance. Those cities, and the threshold level at which the ordinance requirements must be met, include:

- o Alameda all projects with a valuation greater than \$100,000 must meet the diversion requirements.
- o Dublin all projects with a valuation greater than \$100,000 must meet the diversion requirements.
- o Hayward valuation threshold of \$75,000.
- o Livermore valuation threshold of \$300,000.
- Oakland all new construction projects and demolitions, as well as any additions or renovations with a valuation greater than \$50,000, must meet diversion requirements.
- o San Leandro valuation threshold of \$100,000
- o Union City valuation threshold of \$100,000

Financial Impact of C&D Debris Recycling Ordinance

Because Waste Management is required to collect C&D debris as part of the 2004 Franchise Agreement, there is no direct cost to the City of Albany to implement the requirements of the ordinance. However, there will be some up-front costs associated with the creation of educational material and other paper work generated by the requirements of the ordinance.

RECYCLED WATER ORDINANCE

East Bay Municipal Utilities District (EBMUD) plans to offer recycled water for nonpotable water uses to the western portion of the city by 2010. EBMUD now requires

customers to use recycled water, when it is available, for irrigation, commercial and industrial processes (including air conditioning cooling towers), and non-residential toilet flushing. In April of 2004, the City of Albany entered into an agreement with EBMUD to provide recycled water for landscaping purposes at Ocean View Park. EBMUD plans to make recycled water available to any other project in this area that it deems feasible. University Village and Target have already installed the required plumbing. EBMUD may also include large projects outside the area that include water uses that are allowed for disinfected tertiary recycled water.

Staff will be bringing forward a draft ordinance, based on an ordinance adopted by the City of Emeryville, which is intended to limit the involvement of the City in discussions between developers and EBMUD regarding the use of recycled water. It requires developers of projects in the recycled water area, or that include a minimum amount of total area of commercial space (e.g. 100,000 ft²), to submit a letter from EBMUD stating whether or not recycled water will be available for the project, prior to issuance of a building permit. The timing is intended to ensure that developers communicate with EBMUD early in the project planning process.

Financial Impact of Recycled Water Ordinance

For city-sponsored projects, there could be relatively minor costs associated with providing separate plumbing for the recycled water and regular water. For non city-sponsored projects, there will be no financial impact to the City of Albany.