



CITY OF DELRAY BEACH

COMMISSION ACTION MEMORANDUM

TO: Mayor and Commissioners
FROM: Ana Puszkin-Chevlin, Sustainability Officer
THROUGH: Mark R. Lauzier, City Manager; India J. Adams, Asst. City Manager
SUBJECT: Proposed Revision of the Green Building Requirements
DATE: September 11, 2018

SUMMARY:

Staff seeks City Commission direction on their willingness to revise the City's green building requirements, making them more rigorous and applicable to a larger number of development projects. In December of 2015 Ordinance 28-15 amended Sec. 4.4.13 of the Land Development Regulations (LDR) pertaining to development in the central business district (CBD) adding, among many changes, a requirement that new buildings 50,000 square feet or larger must attain a green building designation of LEED Silver or equivalent. LEED is the common acronym for Leadership in Energy and Environmental Design, an ecology-oriented building certification program run by the U.S. Green Building Council (USGBC). Since 2015, this change has only impacted two of approximately 14 new developments in the downtown. Moreover, because CBD district is largely built-out, and there are few sites that accommodate buildings over 50,000, much of the new construction is occurring outside the CBD boundaries, and CBD projects are often smaller than the 50,000 square foot threshold, resulting in sub-optimal development that may stand for half a century. Enhancing the green building requirements would lead to a larger inventory of green certified buildings that conserve energy and water resources, use local materials, accommodate intermodal transportation and help the city achieve goals of reducing GHG emissions.

STRATEGIC POLICY PRIORITY:

Revising the City's Green Building requirements aligns with two of the City's Strategic Policy Priorities:

- Goal 2- To Implement Development Plans and Initiatives and review the City's Land Design Regulations.
- Goal 4- To advance a culture of excellence by pursuing a comprehensive approach to local sustainability issues.

BACKGROUND:

In December of 2015, Ordinance 28-15 amended Sec. 4.4.13 of the LDR adding a green building requirement modeled closely after the City of Miami Ordinance. Since then numerous cities nationally, and several in South Florida, including Miami Beach, Hollywood and Coral Gables, have adopted green building certification standards that are more rigorous than Delray Beach's. Other cities, such as Pompano Beach, have opted to develop their own green building point system, without requiring certification.

In January of 2017, the Green Implementation Advancement Board (GIAB) began exploring ways to encourage a higher green building standard in Delray Beach, and they sought to compare the different types of green building certifications available to understand the 'LEED Silver or equivalent' language of our current LDRs. Staff took an initial step of developing a green building survey tool that would attempt to capture the green building characteristics planned in each new construction at the time of development plan submission and permitting. Completing the survey form would require the development team to take a hard look at their project's green elements. The aim was to motivate developers and architects to "do more" as the form would make plain the types of features they should consider. The survey form would also provide GIAB a way to quantify and compare a proposed building's green characteristics to other projects, allowing them to make more pointed recommendations when they meet with developers and architects. This tool is still being vetted prior to deployment, but even after it is implemented, it has no binding regulatory requirement.

A year later, at the January 18, 2018 GIAB meeting, the board unanimously passed a resolution requesting that the City Commission revise the requirement for green building construction to be applied *citywide, to all buildings 5,000 square feet or larger*. The GIAB would like that the requirement *be LEED Silver or better, not LEED Silver or equivalent*. This standard is comparable, but not identical, to the one set in Miami Beach in 2016, for which the city won an award from the American Planning Association.

ISSUE:

Requiring green building construction is an important step toward achieving sustainability goals, as these buildings are more energy efficient, utilize less natural resources, reduce solid waste, protect eco-systems, and result in ambient spaces that are more healthful and productive for inhabitants. For the City, requiring development green buildings will lessen the demand for water resources, address the quality and quantity of storm water run-off, better accommodate multi-modal transportation, reduce heat-island effect of urban development, and reduce energy demand, all critical steps to reducing the City's overall carbon footprint.

There are several parameters to consider when amending the green building ordinance, including the building size that would be subject to the green building standard, the geography to which the ordinance would apply (i.e. city-wide, neighborhoods or zoning districts), the type of green building standards that would be acceptable or considered equivalents, as well as incentives and enforcement for compliance. Opponents of green building certification requirements will argue that certification may not be necessary, as the Florida Building Code has relatively strong energy efficiency requirements. They cite that the certification process is costly and time intensive, and simply amending the LDRs to include specific green requirements would achieve similar outcomes. While building to higher green standards and achieving certification can impact both hard and soft cost, the amount is typically 3% to 5% of the construction cost. Conversely, these buildings have approximately 20% lower operational and maintenance costs, which offset the upfront investment. Requiring a green building certification may be promoting the "brands" of the certifying organizations (LEEDs -US Green Building Council, Florida Green Building Coalition, Green Globes, or Living Building Challenge), but it also sets a recognized standard, one that is vetted, often updated with emerging technologies and verified by audit.

Crafting a new green building requirement for Delray Beach, one that reflects our city's development patterns and sustainability goals, is complex and will surely engender some controversy. As a first step, the Office of Sustainability's summer interns researched programs instituted in other cities nationally and locally and delved into the comparability of four nationally recognized certification programs: International Living Building Challenge; U.S. Green Building Council's LEEDs; Florida Green Building Coalition; and Green Globes. It was determined that Delray Beach's requirements are less rigorous than many of the surrounding areas and that these certifications are not comparable, in other words, LEEDs Silver is not equivalent to FGBC Silver. The most rigorous is the International Living Building Challenge. The LEED Gold and Silver requirements are viewed as rigorous, requiring building commissioning and audit. By comparison Green Globes and FGBC are easier to attain. Staff feels that all provide a basic standard and can be helpful, depending on the size, location and type of construction.

The research also revealed that most cities have moved toward green building standards that apply city-wide, not just in specific areas. Cities often start with a mandate that city-owned facilities, and buildings requiring some form of city consideration achieve LEED certification at the Silver level. Delray Beach does not presently require such certification.

CITY ATTORNEY REVIEW:

The City Attorney and the Planning and Zoning Department will collaborate with the Office of Sustainability if direction is given to move forward

FISCAL IMPACT & FUNDING SOURCE:

Revising the green requirements would initially involve staff time. Implementing a revised policy may require additional staff resources with skills to review the certifications and manage the bonds that are posted as incentive for compliance.

RECOMMENDATION:

Staff is supportive of a revising the City's green building requirement to make it applicable to buildings citywide, and to buildings of a significantly smaller size. Staff flexible about which designation would be

acceptable and would suggest exploring a nuanced two-tiered approach; holding developments 5,000 to 25,000 to a more relaxed standard than LEED Silver. This type of stratification would exempt traditionally sized single-family residences from any requirement, but would subject large, expensive homes, and small commercial developments to a minimum standard. Mid-size and large buildings, buildings over 25,000 square feet would have to meet the current LEED Silver standard or higher. This is appropriate as larger buildings typically have greater impacts on resource consumption. Applying the green building standard citywide is critical, as many of the City's readily buildable parcels and redevelopment efforts are outside the current Central Business District. It could be possible to exclude some residential zoning districts. Finally, the City must lead by example and require all new City facilities achieve the LEED Silver or better standard, irrespective of size.

There are many parameters to consider in an ordinance, including the precise threshold size, certification requirements, enforcement mechanisms, possible incentives and exclusions. To bring forth revised ordinance language, staff resources would have to be allocated to refine the details of a new policy, analyze its impacts, and present it to other city boards. Prior to committing resources to this effort, the Office of Sustainability seeks direction from City Commission to move forward, and guidance on the stringency and reach of the new policy.