

Green Building Ordinance for New Private Sector Construction

Implementing San Jose's Green Vision
& the Green Building Policy

Green Vision Goal #4:

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

Private Sector Green Building Policy

City of San José, California

COUNCIL POLICY

TITLE	PRIVATE SECTOR GREEN BUILDING POLICY	PAGE	1 of 3	POLICY NUMBER	6-32
EFFECTIVE DATE	October 7, 2008	REVISED DATE			
APPROVED BY COUNCIL ACTION	10/7/2008 Item 7.2 (a), Res. No. 74624;				

PURPOSE

This policy establishes baseline green building standards for private sector new construction and provides a framework for the implementation of these standards. This Policy is intended to enhance the public health, safety and welfare of San José residents, workers, and visitors by fostering practices in the design, construction, and maintenance of buildings that will minimize the use and waste of energy, water and other resources in the City of San José.

Green Building Policy Standards

Project Type	GB Performance Requirements
<u>Tier 1</u>	
Commercial / Industrial (<25,000 square feet)	Submit a completed LEED Checklist
Residential (<10 units)	Submit a completed GreenPoint Rated or LEED Checklist
<u>Tier 2</u>	
Commercial / Industrial (> 25,000 square feet)	Certify at the LEED Silver Level or higher
Residential (> 10 units)	Certify as GreenPoint Rated (50 pts) or LEED Certified or higher
High Rise Residential 75' or higher	Certified at the LEED Certified level or higher

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Codify Provisions of the Green Building Policy to establish:

- The USGBC (LEED) and Build it Green's Green Point Rated rating systems as the mandatory green building standards for the City of San Jose.
- Exemption Process from the Green Building Requirements
- Green Building Refundable Deposit Procedures
- Pipeline Provisions

Outreach Meetings

- General Stakeholders
 - April 1 & May 27, 2009
- Developer Roundtable
 - March 27, 2009
- American Institute of Architects (AIA)
 - April 9 & May 28, 2009
- Building and Construction Trades Council
 - April 16, 2009

Stakeholders Concerns

- Third Party Certification
- Green Building Deposit
- Lack of Incentives
- Will discourage new development

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Staff Recommendation:

- Adoption of the Green Building Ordinance for New Private Sector Construction in accordance with the adopted Green Building Policy for New Private Sector Construction (Council Policy 6-32).

Next Steps

- Refine Internal Processes
- Phase 2: GB Policy for Existing Buildings
- 2011 Policy Evaluation

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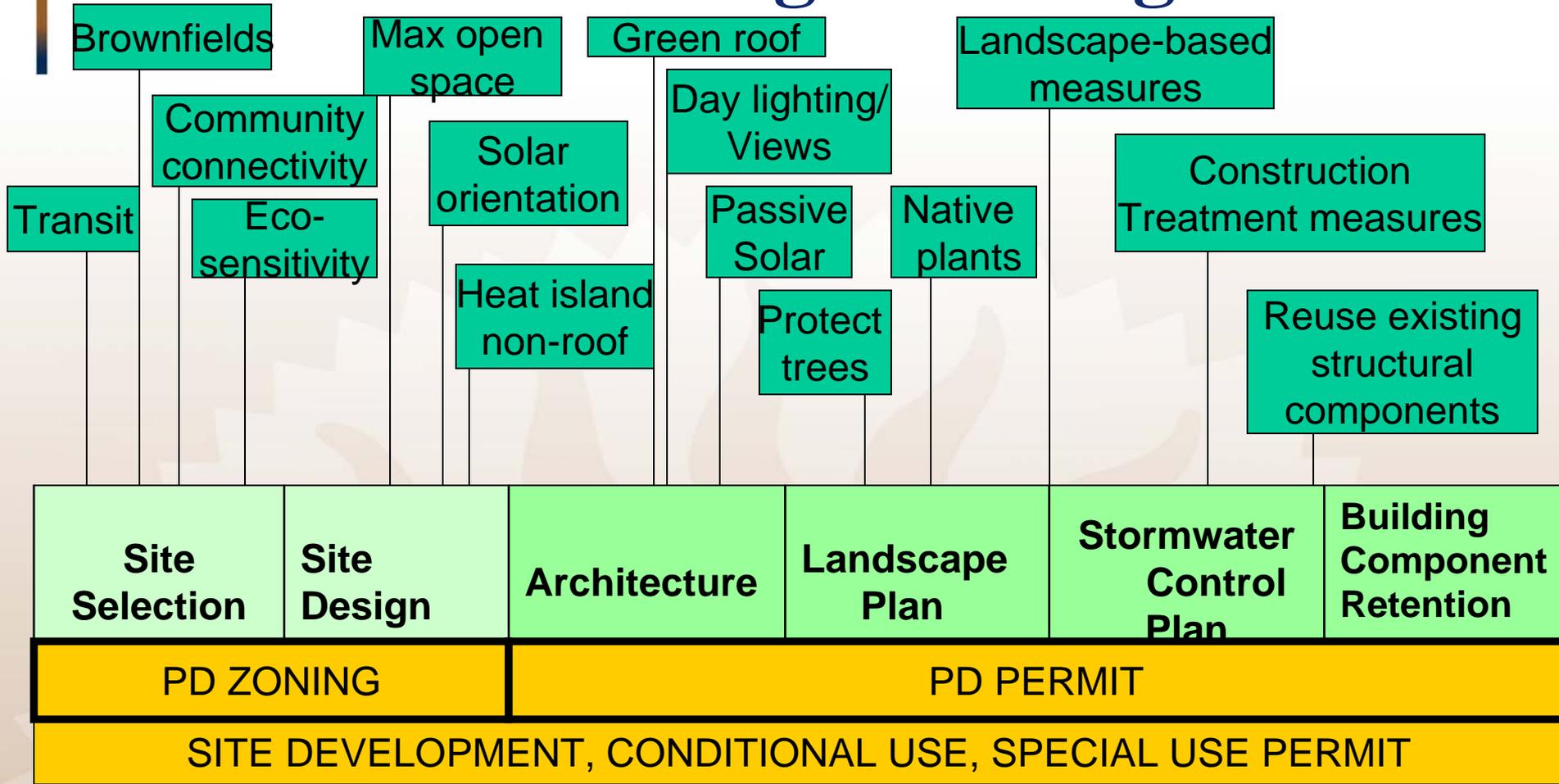


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“Build or retrofit 50 million square feet of green buildings.”

Projections

- 95% Private Sector
- 5% City Facilities
(717,000 sq. ft. certified to date)

GB Features During Planning



3rd Party Certification-LEED fees

Current Rates: Effective through December 31, 2009

	Less than 50,000 Square Feet	50,000- 500,000 Square Feet	More Than 500,000 Square Feet	Appeals (if applicable)
LEED 2009; New Construction, Commercial Interiors, Schools, Core & Shell full certification	Fixed Rate	Based on Square Footage	Fixed Rate	Per credit
Design Review				
USGBC Members	\$1,250	\$0.025/sf	\$12,500	\$500
Non-Members	\$1,500	\$0.030/sf	\$15,000	\$500
Expedited Fee*	\$5,000 regardless of square footage			\$500
Construction Review				
USGBC Members	\$500	\$0.010/sf	\$5,000	\$500
Non-Members	\$750	\$0.015/sf	\$7,500	\$500
Expedited Fee*	\$5,000 regardless of square footage			\$500
Combined Design & Construction Review				
USGBC Members	\$1,750	\$0.035/sf	\$17,500	\$500
Non-Members	\$2,250	\$0.045/sf	\$22,500	\$500
Expedited Fee*	\$10,000 regardless of square footage			\$500

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

Timeline for Green Building



Benefits and Costs

Representative benefits:

8-9% decrease in operating costs

7.5% increase in building values

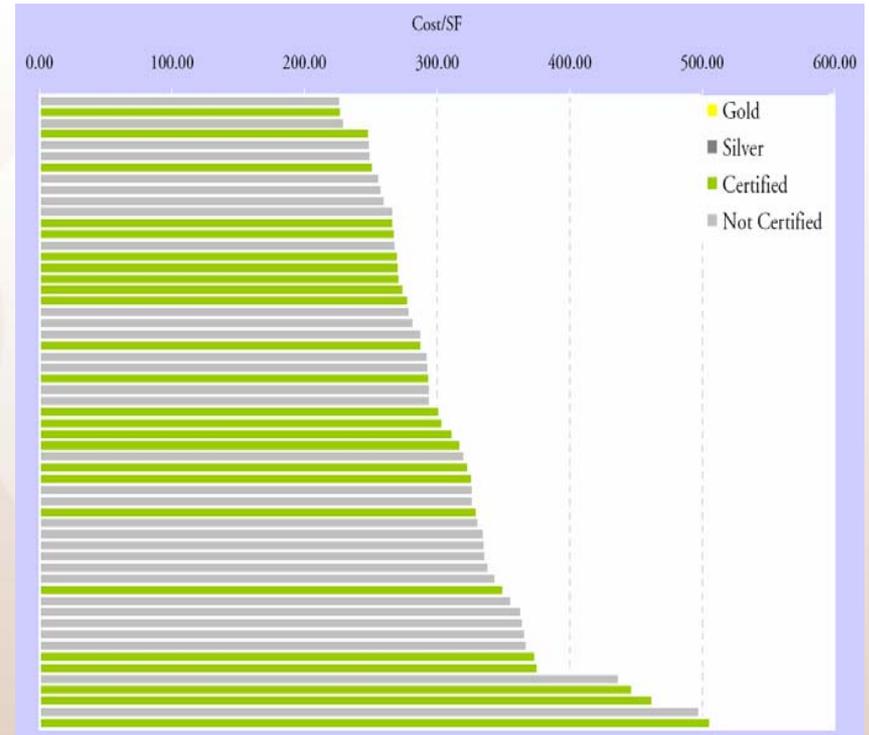
3.5% increase in occupancy

3.0% increase in rental income

6.6% improvement in ROI

Source: USGBC, from various primary sources.

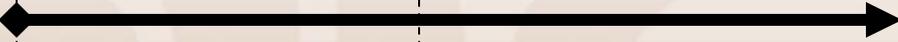
Cost Trend:



Green building does not determine \$/sf

Davis Langdon 2007 Cost Data for 83 LEED, 138 Non-LEED Buildings

Pipeline

Development Permit	January, 2009	July, 2009
On File/In Process		
New		



Not subject to green building provisions



Subject to provisions

Green Building Refundable Deposit

Amount

- Flat Rate of \$0.30/ gross sq ft
- \$30,000 maximum deposit cap per building permit issued
(Examples: 2,000 sq ft residential unit=\$600 deposit
25,000 sq foot commercial building= \$7500 deposit)

Timing

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