

CITY OF VICTORIA

Committee of the Whole Report

Date: October 24, 2007 **From:** Lucina Baryluk, Planner

Subject: Green Building Policy: Private Sector Development

Executive Summary

The purpose of this report is to bring forward to Council the Consultant's recommendations for a Green Building Policy relating to private sector development and to outline a process for further consultation and input prior to a further staff report on the policy recommendations and implementation strategy.

On September 13, 2007, Council endorsed a Green Building Policy for its own Civic Facilities, which is referenced in the Consultant's report.

The Consultant's report related to private sector development provides an overview of the merits of green buildings, the rationale for the choice of LEED™ (Leadership in Energy and Environmental Design™) as a standard and specific measures the City can endorse to encourage greener buildings (with the focus on water and energy efficiency). By the very nature of development in Victoria, especially in the downtown core, developments satisfy a number of sustainability criteria: transportation options (bicycle parking, access to greenways and public transit), densification and redevelopment of brownfield or underused sites. Operating from this foundation, Victoria is well-positioned to foster increased sustainability in private sector developments. Options for improving the sustainability of private sector developments are outlined as well as acknowledging some of the municipal and provincial regulatory context and initiatives.

Recommendations

To encourage more sustainable private sector development, it is recommended that the following be undertaken:

1. Council receive the report on Green Building Policy: Private Sector Development for information.
2. That staff be directed to use the staff and Stantec reports as a discussion paper with the Advisory Design Panel, the Environment and Shoreline Advisory Committee, and at a workshop with the development industry and that staff report further on these discussions when the Green Building Policy: Private Sector Development recommendations and implementation strategy are brought forward for Council's consideration.

Respectfully submitted,

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1. Purpose

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2. Background

2.1 Role of the Consultant and City

As part of a pilot project with Community Action on Energy Efficiency, the City secured the services of Stantec Engineering to review its policies and regulations relating to sustainable building development.

The scope of the work involved three main items:

- Website review (under separate cover);
- Review of the Green Building Policy for Civic Facilities (approved by Council September 13, 2007);
- Review of policies, regulation and guidelines to achieve improved sustainability for private sector developments.

The City of Victoria has three key roles in promoting sustainable building practices:

- As owners of property and infrastructure;
- As regulators and policy-makers;
- As facilitators.

In its role as property owners, as of September 13, 2007, Council adopted the following policy for its civic buildings as follows (in part):

That City Council endorse a Green Building Policy for municipal facilities that would meet the minimum requirement of LEED™ –NC Silver, with a goal of Gold, including, where appropriate, full registration and certification under the Canada Green Building Council for all new construction and additions larger than 500 square metres.

The other City roles as regulators, policy-makers and facilitators are examined in this Committee report and the Stantec report.

2.2 Why consider sustainable buildings?

Sustainable buildings guidelines are used in the design, construction and operation of buildings aimed at increasing performance in environmental responsibility and energy efficiency: reduced impacts on solid waste, water, waste water and storm water and emissions of local air contaminants and greenhouse gases.

Sustainable building practices encompass a broad range of considerations: building location, materials, design and operational aspects. In the City of Victoria, most projects tend to be redevelopment for higher densities thus satisfying the location criteria for green buildings,

i.e. brownfield developments and redevelopment near urban centres close to transportation and services. The design and construction features of development can increase its sustainability, specifically by:

- Incorporating energy-efficient features (natural lighting and ventilation, good insulation, energy saving appliances, cool roofs, lower car dependency);
- Incorporating water-efficient features;
- Reusing existing buildings and materials;
- Managing construction waste, and providing opportunities for reducing and reusing waste materials after occupancy;
- Preserving and enhancing vegetation;
- Incorporating sustainable, healthy and local materials and furnishings.

The Stantec report provides a case for the higher construction costs of a green building offset by gains associated with environmental (lower energy and water consumption) and human health benefits. For a municipality, sustainable buildings help achieve overall sustainability and liveability goals and can also help reduce long-term infrastructure costs – reducing potable water use and sanitary sewer and storm drain discharge delays infrastructure upgrades to meet additional capacity demands.

The report also provides a case for using the LEED™ standard for sustainable buildings.

3. Issues

- There are a number of systems of high performance building standards. The consultants have chosen the LEED™ standard; it is supported in both the United States and Canada by the Green Building Council organization providing third party verification. While there are other rating systems, no clear alternatives are evident in the Victoria area.
- A municipality is limited in its authority to require sustainable features that exceed or conflict with the adopted provincial codes. With this limitation, the municipality's role as a facilitator and owner of property is of primary importance in encouraging sustainable buildings. The provincial building codes are under review to include greener objectives.
- In areas where the City can regulate (such as site development and storm water management), there is a cost associated in creating new standards and programs.
- The City can request sustainability features (or a standard, such as LEED™ Silver) as part of negotiation for Bonus Density or variances. The challenge will be two-fold: ensuring the feature is reflected in the design and not subject to changes and ensuring the features (and other amenities) are appropriate to the benefit gained by the developer.
- While it is important for Victoria inform itself of green building initiatives in other jurisdictions, the development in Victoria is unique in the region. While Seattle and Vancouver have similar types of development, both operate in larger markets with different enabling legislation.

4. Analysis

Although the City has regulatory restrictions to mandate sustainable features, there are opportunities for the City to expand its roles in all key area in promoting sustainable building practices.

As facilitators, the City is in an excellent position to provide information to the public and developers through land use application and the building permit application processes. This can be done by increasing awareness of sustainability options through checklists, information handouts and links on the City's web site. The City can also consider other cooperative training approaches with the local builders and developers.

As regulators and policy-makers, site development criteria provide for consideration for more prescriptive regulations. For example, the City currently has specific mandatory requirements for bicycle parking. Other sustainable regulations that could be considered are permeable paving, landscaping standards and storm water run-off reduction. These could be prioritized in terms of creating the highest environmental benefit for the least cost; revised practices and standards can be implemented over time once prioritized.

As owners of property and infrastructure, the City has adopted a policy relying on the LEED™ standard and therefore showing leadership in sustainable building construction. The recently approved Green Building Policy for civic buildings provided a case for LEED™. It is therefore recommended that the standard for private developments be consistent with the City's civic policy when the City can require this option through development negotiations. In addition, LEED^M can be used as the general standard to measure sustainable initiatives.

The report deals with specific items that can improve the sustainability of a development. Stantec recommends that larger sustainability goals and objectives should form an overarching framework for city policy. To this end, long-term policy documents (such as the Official Community Plan and transportation plans) should embrace a larger sustainability philosophy and set goals consistent with the City's Corporate Strategic Plan. This is beyond the scope of this report.

Heritage buildings have not been included in the analysis, and for the most part the sustainable measures apply to new construction. Revitalizing, reusing or renovating an existing building provides a measure of sustainability as opposed to demolition and replacement. Regardless of the type of construction, certain site development criteria for sustainable measures would apply.

4.a. Options

There are a number of voluntary and mandatory measures that the City can undertake to increase the sustainability of private sector development.

The voluntary measures provide challenges in information dissemination. The most expedient method would be to consolidate information on the City's Web Site providing the appropriate links. To increase awareness of sustainable building practices and materials, a handout could be provided with the building permit application directing applicants to the appropriate source information. A development checklist, as employed in other communities, is a method to create a sustainability focus. Other cooperative opportunities with the development sector could be explored.

The mandatory measures will require changes to processes, policies and bylaws. While most measures will have a direct and immediate impact on sustainable development, some are more costly and complicated to implement. As the provincial building codes will be incorporating more sustainable building measures, it is prudent not to undertake any major changes to the City's regulations until the provincial changes are known.

The report also provides a list of items for trade-off consideration as part of development negotiations, especially for variances. Through the Downtown Plan Update, the density bonus policies will be reviewed to address the sustainability options further.

4.b. Resource Impacts

The key costs associated with developing and implementing a green building policy relating to private sector developments are as follows:

- Consultation requirements (staff time, preparation, associated costs)
- Cost for website improvements (content and layout). It should be noted that the City's website will be updated in 2008 and changes to the layout can be incorporated at that time. Content information would still be required.
- The Sustainability Checklist requires development and incorporation into processes and forms. Staff training on implementation will be required.
- Implementing mandatory requirements will involve changes in a number of policies and regulations pertaining to land development and operations of buildings. All involve cost to the City to enact and enforce. As regulations and policies are revised over time with a focus on sustainability, this may reduce the cost for specific work plan items at this time.
- The Trade-Off Options and other measures can be considered as part of the review of the Downtown Bonus density policy or inform other development negotiations when a variance is requested. As such, the resources are already allocated for this option.

4.c. Conclusions

By focusing on an incremental approach to sustainable building requirements (both voluntary and mandatory), the City can continually move toward more sustainable development. As the provincial codes continue to evolve incorporating greener building practices and materials, buildings will be required to meet a higher standard.

5. Recommendations

With the options provided by Stantec for advancing a Green Building Policy for the Private Sector, it is recommended that staff create a process for consultation to obtain input on the Policy direction and initiatives. The consultation process will provide feedback on the acceptance and scope of a Green Building Policy for the Private Sector. For the widest acceptance, a balanced approach that accounts for the larger public benefits and the direct costs for the development of environmental initiatives should be considered.

To encourage more sustainable private sector development, it is recommended that the following be undertaken:

1. Council receive the report on Green Building Policy: Private Sector Development for information.
2. That staff be directed to use the staff and Stantec reports as a discussion paper with the Advisory Design Panel, the Environment and Shoreline Advisory Committee, and at a workshop with the development industry and that staff report further on these discussions when the Green Building Policy: Private Sector Development recommendations and implementation strategy are brought forward for Council's consideration.

6. List of Attachments

- Stantec City of Victoria Sustainable Building Policy Review