

CITY OF VICTORIA

Committee of the Whole Report

Date: September 19, 2008 **From:** Cameron Scott, Planner, Community Planning
Lucina Baryluk, Planner, Development Services

Subject: Green Building Policy – Private Sector Development

Executive Summary

The purpose of this report is to convey the results of initial stakeholder consultation meetings, gain Council approval for green building guiding principles and detail implementation strategies. The actions outlined in this report support the City's sustainability commitment and aim to reduce the impacts that buildings have on the environment and natural resources.

The City adopted a *Green Building Policy* for civic buildings on September 13, 2007. This report deals with the policy for private development and is the second report that has been presented to Council on this topic. A research paper drafted by Stantec Consulting and entitled *Sustainable Building Policy Review: Private Sector Development* was presented to Council on October 24, 2007. Council then directed staff to consult with the Advisory Design Panel, the Environment and Shoreline Advisory Committee, the Urban Development Institute, and the Heritage Advisory Committee, before moving forward.

Meetings were held with the stakeholder groups in May/June 2008. A number of issues were identified, with the major themes being:

- integration of the *Green Building Policy* into a broader sustainability context;
- the City's internal capacity;
- the need for communications and education activities;
- the use of LEED; and
- integration of green building practices into existing buildings.

As guided by these themes, one of the first policy development steps proposed is the articulation of green building guiding principles. Secondly, strategies are proposed that detail a system of policy, regulations and guidelines, and communications and capacity building activities that can be used to support and advance green building guiding principles.

Recommendations:

It is recommended that Council:

1. Receive the stakeholder feedback in Attachment A for information.
2. Approve the Green Buildings Strategies as set out in Attachment B.
3. Adopt the following Green Building Guiding Principles:
 - a) **Leadership:** The City of Victoria will demonstrate both leadership and due diligence in environmental, social and economic stewardship in private and public sector building projects.
 - b) **Environmental Focus:** The primary focus will be to reduce the ecological footprint of development.
 - c) **Collaboration:** Utilize existing resources, relationships and programs to advance green building practices.

- d) **Accountability:** Enhance the disclosure, quality and availability of information for analysis and discussion.
- e) **Efficiency:** Maximize existing relationships, programs, rating systems and resources to implement green building features.
- f) **Respect:** Respect embodied energy and value of existing buildings, heritage resources and landscape elements.
- g) **Excellence:** The City will strive to encourage development that is built to the highest possible green standards.
- h) **Integration:** Ensure green building policies are infused throughout the organization and linked to other City policies and programs.

Respectfully submitted,

Cameron Scott
Planner, Community Planning

Deb Day, Director
Planning & Development Department

Lucina Baryluk
Planner, Development Services

Peter Sparanese
Director, Engineering

Rob Woodland
Director, Legislative Services

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1. Purpose

The purpose of this report is to:

- Report results of initial stakeholder consultation meetings;
- Gain Council approval for Green Building Guiding Principles;
- Outline proposed strategies to advance private green building practices.

2. Background

Buildings are a significant sources of energy, water and other natural resource consumption in the City of Victoria. As an example, the 2004 *Greenhouse Gas and Energy Use Inventory for the Capital Region* indicated that 64% of the energy use in the CRD is attributed to buildings. Targets established by regional and provincial governments for energy (Community Energy Plan), water (Provincial Water Plan), and greenhouse gas emissions (CRD, provincial targets) signal the necessity of changing the context through which municipalities view and facilitate development. To this end, the City of Victoria is developing a *Green Building Policy* to help reduce the impacts that buildings have on the environment and natural resources.

2.a. Civic Policy

The City's *Corporate Strategic Plan* supports the development of a *Green Building Policy* for civic and non-civic buildings. The City is advancing this green building agenda through two policy streams - civic building policy and private building policy. The civic policy demonstrates the City's leadership role and helps to inform subsequent private policy development. As a first step in this process, a policy for new construction of civic facilities was adopted by Council on September 13, 2007 as follows:

"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."

2.b. Provincial Legislation

The City's role in the *Green Building Policy* is limited by provincial regulations. Therefore, any policy and/or regulatory initiative the City develops needs to be mindful of changes underway at the provincial level. An example of this is the *BC Building Code* which sets out technical provisions for the design and construction of buildings. The province is undertaking a "greening" of the *Building Code* which, in its first stage, involves updating standards for energy and water efficiency. Not only is the province elevating baseline requirements for new construction, but they are also broadening the powers of municipalities to mandate and encourage green practices through legislation such as *The Green Communities Act*.

2.c. City's Role

As noted in the Stantec report, the City of Victoria can pursue the *Green Building Policy* through three key roles:

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

The civic building policy focuses on the City's roles as owners of property, while the private sector policy focuses on the City's role as regulator, policy maker and facilitator. At this stage, the primary focus of the City's efforts will be new construction, as there is a greater ability to influence this development through rezoning and development permit processes. Existing buildings will be addressed primarily in future phases.

2.d. Initial Research & Consultation

The development of a *Green Building Policy* for private development was initiated through the retention of Stantec Consulting to undertake a *Sustainable Building Policy Review: Private Sector Development*. This report examined the existing green building context and current practices, as well as reviewed the City's policies and regulations relating to sustainable private sector development. This report was completed in October 2007 and received for information by Council on November 8, 2007. Council then directed staff to consult with the Advisory Design Panel, the Environment and Shoreline Advisory Committee, the Urban Development Institute, and the Heritage Advisory Committee on the report.

Using the discussion paper as a resource, staff engaged with the aforementioned stakeholder groups. These meetings involved receiving feedback on the Stantec report, identifying opportunities and challenges associated with advancing green building practices, and soliciting initial thoughts on the City's approach to a *Green Building Policy* for private development. A summary of feedback obtained from stakeholder groups is contained in Attachment A.

3. Issues

Consultation meetings (*Attachment A*) helped identify a number of major themes that are vital to a successful private sector *Green Building Policy*. These can be summarized as follows:

Integration of a Green Building Policy into a Broader Sustainability Context

The importance of integrating this policy into a broad sustainability context has been identified as a concern. The main issue here is the correlation of *Green Building Policy* to other, overarching City policies that identify sustainability as a strategic focus.

Organizational Capacity

Stakeholders perceive that the City lacks the capacity (expertise, training, etc.) to advocate, assist, and communicate sustainable building practices to residents and developers.

Communications and Education

The communication and training of both internal and external stakeholders on available green technologies and emerging sustainability issues was seen as an important element that could be addressed. Internally, this related to achieving a solid baseline of knowledge and ability throughout the corporation.

Use of LEED (Leadership in Energy and Environmental Design)

Green buildings can be certified by a number of rating systems, but the predominant one utilized for larger developments is LEED. A key issue raised was the degree to which LEED should be followed or mandated.

Integration of Green Building Practices into Existing Buildings (including Heritage Resources)

Existing buildings represent an overwhelming proportion of the building stock. Stakeholders, particularly heritage interests, identified the importance of tailoring a *Green Building Policy* to the unique dynamics of existing buildings.

4. Analysis

Integration of a Green Building Policy into a Broader Sustainability Context

The need to ground *Green Building Policy* within a policy framework that seeks to achieve broader City-wide goals is essential to the success of this project. The City has begun to develop strategic sustainability policy instruments which will form a conceptual structure for analyzing corporate and community activities with respect to sustainability. A *Green Building Policy* will need to be nested within this hierarchy to ensure they correlate well to other sustainability initiatives. The recently initiated Civic Sustainability Framework will provide a sustainability commitment, goals, and targets that will infuse sustainability and consistency into all plans and policies.

Organizational Capacity

To proactively advance green building practices, internal capacity and organization will need to be improved. Individual skills and capacity exist amongst staff, however, they need to be assessed and enhanced to maximize the effectiveness of policy initiatives.

Communications and Education

The education of staff, developers and residents is an area that can be immediately addressed, effectively elevating the level of green building discourse. One of the main concerns here is an awareness and understanding of available green technologies and emerging sustainability issues throughout the organization. A wealth of information and funding programs are available, but a cohesive program to organize and communicate this material would be an asset.

Use of LEED (Leadership in Energy and Environmental Design)

The Stantec report recommends that the City examine requiring LEED Silver for all new development over 500 m². Stakeholder feedback indicates that requiring LEED may be a barrier to development, as it could add time and administrative costs to projects. Recent

development projects have indicated a shift toward LEED certification without government intervention. A main thrust of the policy involves using criteria that move towards satisfying objectives that are laid out in existing building rating system such as LEED or Built Green.

Integration of Green Building Practices into Existing Buildings (including Heritage Resources)

While the policy is predominantly focused on new construction at this point, there are a number of issues that need to be resolved regarding the sustainability of existing buildings. Given that there is a relatively small amount of new construction in relationship to the existing building stock, this is an area where gains can be made. From a heritage perspective, there are often conflicting goals at play when considering heritage preservation objectives and green building objectives.

The rationale for focusing this stage of policy development on new construction is that this is the area that the City has the most control over through development permit and rezoning processes. The intention is to focus more on existing buildings once progress has been made with new construction policies.

4.a. Options

The proposed approach provides a set of guiding principles which identify City priorities and areas of interest. Nested within each guiding principle is a set of strategies that endeavours to advance and operationalize the principles.

Green Building Guiding Principles articulate broad standards of practice and provide guidance for the development of a *Green Building Policy*. They provide clear direction not only to implementation actions but also to the development of broad sustainability policy. The guiding principles also seek to bring a degree of normalization to City processes by providing clear points of reference and directions to pursue.

The proposed strategies outline a number of complimentary courses of action that will advance the guiding principles, while addressing some of the issues that were highlighted in stakeholder meetings. In totality, the strategies provide broad directions that will shift the context of how the City of Victoria considers, regulates, guides and supports private development. The strategies will include dealing with communications, capacity building and reporting measures in the short term, with a transition to investigating more complex fiscal, policy and regulatory tools. An interdepartmental steering committee will guide the implementation of the green building strategy items.

It is recommended that Council adopt the *Green Building Guiding Principles* as well as the strategies laid out in Attachment B. If Council wishes, they have the option to amend elements of either the guiding principles or proposed strategies.

4.b. Resource Impacts

The key costs associated with developing and implementing a private sector *Green Building Policy* will be proposed in the 2009 Budget. Initial resource requirements will be as follows:

- Project Management (Planner, Community Planning/Planner, Development Services, as required);
- Staff Technical Committee (staff time);
- Consultation requirements (staff time, preparation, associated costs);
- Cost for website improvements (content and layout);
- Information materials (staff time, printing, dissemination costs);
- Training sessions (hiring consultants, certification, resource materials, staff time).

4.c. Conclusions

A key first step in encouraging green building practices involves articulating a clear set of aspirations and expectations. Green building guiding principles have been developed as a means of asserting the core values of the policy. The guiding principles will help to provide clear objectives to which staff, developers, Council and the community can work.

The proposed strategies (Attachment B) will help lay out a clear approach that will enable a steady, predictable advancement of green building objectives. A range of policy, regulatory and communications activities are included that will help advance green building guiding principles. A critical foundation of *Green Building Policy* requires establishing relationships and linkages to the overall City policy structure, the development of clear expectations and objectives for green buildings, and the enhancement of organizational capacity to communicate, enable, and advocate green building practices.

5. Recommendations

It is recommended that Council:

1. Receive stakeholder feedback for information.
2. Approve the Green Buildings Strategies as set out in Attachment B
3. Adopt the following Green Building Guiding Principles:
 - a) **Leadership:** The City of Victoria will demonstrate both leadership and due diligence in environmental, social and economic stewardship in private and public sector building projects.
 - b) **Environmental Focus:** The primary focus will be to reduce the ecological footprint of development.
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- h) **Integration:** Ensure green building policies are infused throughout the organization and linked to other City policies and programs.

6. List of Attachments

Attachment A: Feedback from Green Building Policy – Consultation Sessions

Attachment B: Green Building Strategies

Web Resources:

City of Victoria Sustainable Building Policy Review - Private Sector Development – Stantec Consulting http://www.victoria.ca/cityhall/pdfs/plnsrv_green_inttvs_private_stntc.pdf

Attachment A: Feedback from Green Building Policy – Consultation Sessions

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| 1. | Advisory Design Panel (ADP) | May 28, 2008 |
| 2. | Urban Development Institute (UDI) | June 16, 2008 |
| 3. | Heritage Advisory Committee (HAC) | June 24, 2008 |
| 4. | Environment and Shoreline Advisory Committee (ESAC) | June 25, 2008 |

Comment	Meeting
Broad Policy Linkage	
The City needs to develop a larger sustainability framework and targets – the theoretical component is missing.	UDI
We should be examining sustainable building practices, not just green buildings.	UDI
The City should also consider larger goals of enhancing the City-owned environment (right of ways, parks).	ADP
Organizational Capacity	
City needs to improve its internal capacity and acceptance of sustainability initiatives throughout the organization (from building inspectors to City Council).	UDI
Organizational capacity and coherence is an issue.	UDI
City should be an advocate for sustainability and become a leader in sustainability.	UDI
The initiative should make particular efforts to support “people wanting to do the right thing” (even though the “right thing” may be different than past or current practice) – this support needs to go beyond brochures or general information.	ESAC
The City needs a strong interdepartmental approach to support sustainable initiatives – both for its own operations and for supporting private land development or building construction.	ESAC
A "sustainability support officer", responsible for supporting "doing the right thing", an ombudsman/person (between proponents and staff), might be able to help move “green building” efforts forward and bridge the current 'silos' of responsibility among City permitting processes (building, electrical, plumbing, etc.).	ESAC
Building inspectors will need training and to be empowered to support “green building” initiatives and efforts.	ESAC
Communication / Education	
Educational/information material should be designed to evolve.	UDI
There is a strong communication gap as there is a pressing need to communicate the concept of embodied energy and savings resulting from preservation.	HAC
Available funding opportunities for the public need to be advertised.	HAC
Could have neighbourhood training sessions – dealing with practices that pertain directly to heritage buildings.	HAC
Other organizations (BC Hydro) provide information that is misleading or confusing as it relates to heritage buildings.	HAC
Existing Buildings / Heritage	
May need to consider a policy that does not disadvantage the retention of existing buildings in the near term.	UDI
Materials, energy and landscaping of existing buildings should be considered.	HAC

There are administrative barriers within the City organization to encourage innovative construction in existing buildings.	HAC
Consider embodied energy and provide a clear definition of embodied energy.	HAC
Consult <i>Conservation of Historic Places Guidelines</i> to inform green building policy.	HAC
Needs to be clearly thought out integration of interaction between green building and heritage objectives.	HAC
Renovations are just as important as new development. The existing inventory of buildings and infrastructure in the City represents a huge potential and challenge.	ESAC
LEED	
LEED can be used as a model but it should not be compulsory as it creates administrative problems for the developer.	ADP
Imposing green building requirements (like LEED) has many implications for the functioning of heritage buildings.	HAC
While the City has a policy of LEED Silver for Civic Buildings, it may want to consider LEED gold with respect to energy.	ESAC
Monitoring	
Key to any initiative is "performance measurement" and in the early stages we suggest that one explicit measure to track is "the changes to the Building Policy that have been implemented.	ESAC
Relationship to Other City Initiatives	
Consider how a <i>Green Building Policy</i> relates to secondary suites.	ESAC
Within the City there are many opportunities for more sustainable land development in site planning and locational factors.	ADP
Ideas from other Jurisdictions	
The Bureau of Environmental Services, Portland, Oregon, has developed storm water management standards that the City can use as a model.	ADP
Economics	
How will any changes to regulations and policies impact the economic viability of development? What is the payback for developers? Is the consumer willing to pay for sustainable features?	UDI
General	
The policy goals are commendable.	ADP
Collaboration	
Direct collaboration between municipalities and the development industry is needed (i.e. joint discussion of implications of Bill 27).	UDI
Harmonization of policies across municipalities within the CRD is preferable.	UDI

Attachment B: Green Building Strategies

Strategy	Guiding Principle	Proposed Timeline
1. COMMUNICATIONS AND CAPACITY BUILDING STRATEGIES		
1.1 Form an interdepartmental steering committee to guide & implement green building initiatives	Integration	Fall 2008
1.2 Develop a communications and capacity building plan	Leadership	Fall 2008
1.3 Work collaboratively with and learn from best practices of other jurisdictions	Collaboration	Ongoing
1.4 Use the City's website as a tool for linking residents and developers to existing funding and information programs	Efficiency	Update Fall 2008
1.5 Dialogue with other municipalities and organizations to advance regional green building practices	Leadership	Ongoing
1.6 Encourage, inform and learn from the development industry	Collaboration	Ongoing
2. POLICY STRATEGIES		
2.1 Civic Green Building Policy	Leadership	New construction policy adopted
2.2 The City will establish targets for the reduction of building impacts	Accountability	Spring/Summer 2009
2.3 Focus policy measures on energy and water conservation	Environmental Focus	Ongoing
2.4 Link the <i>Green Building Policy</i> to other City policies, targets and strategies (i.e. Civic Sustainability Framework, OCP)	Integration	Spring 2009
2.5 Link green building initiatives to established energy, water, and GHG reduction targets	Environmental Focus	Winter 2009
2.6 Utilize existing third-party rating systems, including LEED, to guide policy development	Efficiency	Ongoing
3. REGULATORY AND GUIDELINE STRATEGIES		
3.1 Increase reporting of sustainability features through a sustainability checklist	Accountability	Fall 2008
3.2 Improve design-based incentives and mandatory requirements for new private construction	Excellence	2009
3.3 Investigate mechanisms to improve building performance that respect the embodied energy of existing buildings and heritage assets	Respect	Fall 2009
3.4 Recognize and promote developments that are built to a higher green standard	Excellence	Winter 2009

