

#### CITY OF KIRKLAND

Planning and Building Department 123 5th Avenue, Kirkland, WA 98033 425-587-3600

#### **MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Adam Weinstein, AICP, Planning & Building Director

Jeremy McMahan, Deputy Planning & Building Director

David Barnes, Senior Planner Scott Guter, AICP, Senior Planner

**Date:** March 16, 2022

**Subject:** High Performance Buildings Standards

Zoning Code Amendments, File No. CAM22-00046

#### RECOMMENDATION

It is recommended that the City Council consider adoption of Ordinance (O-4788), amending the Kirkland Zoning Code for the purposes of establishing High Performance Building Standards. These amendments were initiated to implement the <u>Sustainability Master Plan (SMP)</u> goals and actions that promote new construction of higher performing buildings in Kirkland.

#### **BACKGROUND**

Adoption of High-Performance Building Standards (HPBS) was identified as a task for the 2020-2022 Planning Work Program (PWP). The SMP defines High Performing Green Buildings as "those which deliver a relatively higher level of energy-efficiency performance than that required by building codes or other regulations."

This HPBS project was established as a near-term action that Planning and Building staff could take to begin implementing the SMP because of the magnitude of its impact – it would directly advance three goals and several actions in the SMP, and support the advancement of many other actions (ranging from ES-1.2 (Emission Reduction) to ES-2.2 (Advancing Clean Energy Transformation Act) to Goal ES-5 (Reduce Emissions from Buildings)). The SMP goals and actions that a HPBS program in Kirkland would directly advance are listed below:

<u>Goal BI-2</u>: Increase the resilience of the built environment by requiring 50% of new construction to be Certified Net-Zero-Energy by 2025 and 100% of new construction to be certified Net-Zero-Energy by 2030

<u>Action BI-2.3</u>: Encourage and incentivize buildings that are part of Councilapproved Master Plans/Development Agreements/Planned Unit Developments to be high-performing green buildings that are charger-ready.

<u>Goal BI-4</u>: Reduce water use in buildings by 10% by 2025 and 20% by 2030 as compared to a 2019 baseline

<u>Action BI-4.2</u>: Revise the City's Green Building program to require greater water efficiency than required by Leadership in Energy and Environmental Design (LEED), Built Green and Passive House.

The HPBS program would also advance other actions in the SMP, such as those related to economic resilience (as greater energy efficiency is expected to yield longer-term operational cost savings for homeowners and renters). Energy efficiency of the type promoted by the HPBS program would also help make the region more energy independent, which has been part of a long-term national objective that has been highlighted by the recent war in Ukraine.

#### **PROPOSED AMENDMENTS**

Exhibit A to Ordinance O-4788 includes the proposed Zoning Code amendments. The amendments will codify and standardize the City's current HPBS requirements and establish them in one code section. Adopting HPBS will ensure that applicable projects will be much more energy efficient than code-built buildings. In addition to many other benefits of third-party verified green building certifications described below, the related performance standards ensure that buildings do not use fossil fuels, with an exception for commercial cooking. The HPBS will result in helping the City achieve important community carbon reduction goals by decarbonizing new major developments and mitigating environmental impacts. Currently, the standards are spread across multiple zones and vary based on the standards imposed at the time of adoption. Other areas of the Zoning Code that currently require green building certifications would also be revised to reference the draft code amendments shown in Exhibit A.

#### Applicability to the BCX Zone

The attached ordinance, as recommended by staff and the Planning Commission, would replace the recently adopted standards in the BCX zone (Bridle Trails neighborhood center) with the new HPBS standards. The intent, as discussed below, is that the Code establish a consistent and contemporary set of green building standards that is applied when more intensive development is proposed and allowed.

The HPBS were designed for larger developments such as the Bridle Trails Shopping Center, which was proposed in the Citizen Initiated Amendment Request (CAR) in File No. CAM20-00674. Throughout the CAR review process, staff has advised the CAR applicant of the intended outcome – that any future development in the BCX zone would be subject to the revised HPBS requirements (if adopted by Council). The CAR applicant has expressed concerns to Council about the proposed standards, but they would be applied uniformly to major redevelopment projects.

#### Advantages of Centralized Standards

The City has a variety of green building requirements in place that have usually been imposed when additional development intensity is proposed. The rationale is that there

is a nexus between additional land use intensity and associated impacts (including air pollution caused by fuel combustion) and additional land value that is being created through an "upzone." The extra value of the increased development allowances also makes it more financially viable to pay for green building measures such as those found in high performance buildings. Examples include the green building certification requirements that have been mandated with upzones for projects like Kirkland Urban and the South Kirkland Park and Ride.

In the future, the proposed centralized standards can be applied to new development proposals on a case-by-case basis when additional development intensity is requested by a developer or property owner. Centralizing these green building requirements in one place would allow the Zoning Code to be updated more efficiently as needed to reflect industry standards and best practices. This approach avoids code that perpetuates a low standard certification (like LEED Silver) over time and would be a desirable outcome of completing SMP Action BI-2.3.

#### Relationship to Energy and Decarbonization Goals

It should be noted that HPBS code amendments would build on baseline energy efficiency measures already required by the Washington State Energy Code (WSEC). Some certification programs are designed to create energy performance that exceeds the basic WSEC requirements. For example, the Built Green 4 Star Certification (residential homes and residential multi-family and mixed-use buildings) targets 12-18% greater energy performance than WSEC requires. LEED is a national program (for most building types) and its Silver Certification for energy performance is equivalent to a code-built building in Washington State.

However, to move towards achievement of SMP Goal BI-2, it is important to recognize that the City's SMP goal is net-zero energy (NZE) for new buildings. NZE buildings are important because they do not produce carbon emissions through their operation. They produce as much clean renewable energy on an annual basis as they consume. NZE buildings are more challenging for taller buildings as the space on the rooftops may not be large enough to generate as much solar energy as the building uses, based on the relationship of roof space to the gross floor area of taller buildings. The next practical step as recommended with these amendments is decarbonizing (having zero or near zero fossil fuel use) in new buildings by establishing a performance standard requiring all electric buildings (with an exception for commercial cooking). This step of electrification of new buildings is a performance standard that moves the City towards its carbon emission goals, including the goal to be fully carbon-free/fossil fuel free by 2045.

#### Use of Third Party Certification Programs

There are added benefits to using third-party green building certification programs to advance the City's goals. In addition to these programs requiring energy efficiency, most of the performance measures listed below are embedded and verified as part of the certification process:

Life cycle assessment

- Siting and structure design efficiency
- Water efficiency
- Materials efficiency
- Indoor environmental quality enhancement
- Operations and maintenance optimization
- Waste reduction
- Equity

#### Regional Examples

There are many examples of cities that have pursued requirements, incentives, programs and a combination of those tools. Locally, the cities of Seattle and Shoreline have done a good job of creating incentives for high-performing buildings. Shoreline requires higher performing buildings as part of transit and light rail station area planning. Attachment 1 provides more detail about the City of Seattle's green building incentive programs, and Attachment 2 provides more detail about the City of Shoreline's Deep Green Incentive Program. Both of these programs/codes represent the leading edge in encouraging and requiring high performing buildings in the region. For applicable projects, the HPBS will yield similar results to Seattle and Shoreline's programs in regard to energy efficiency, reduction in waste, pollution and water use.

#### **PUBLIC MEETINGS**

The Planning Commission reviewed the proposed amendments at study sessions on <u>April 8, 2021</u> and <u>January 27, 2022</u>. The Houghton Community Council reviewed an overview of the proposed draft amendments on <u>January 24, 2022</u>.

February 24, 2022 Joint Public Hearing: The Planning Commission and Houghton Community Council conducted a joint public hearing to consider the proposed amendments. The Master Builders Association of King and Snohomish County (MBAKS) spoke during the public hearing and provided written comments (see Attachment 3). Generally, MBAKS agreed with the proposed code amendments, but expressed concerns (on the basis of added costs to projects) about requiring all parking stalls to be electric vehicle (EV) ready by providing all of the required infrastructure but not the actual EV charger.

A second public comment came from a member of People for Climate Action – Kirkland, but it was noted she was speaking as an individual. The speaker strongly supported the proposed code amendments and reinforced the urgency of moving towards all electric buildings and decarbonizing the built environment. The rationale for this support is reducing pollution and costs associated with using fossil fuels in building operations.

# PLANNING COMMISION AND HOUGHTON COMMUNITY COUNCIL RECOMMENDATIONS

The Houghton Community Council made a motion and voted unanimously to recommend the code amendments as presented by staff to the Planning Commission.

The Planning Commission voted unanimously to recommend the HPBS code amendments to the City Council for consideration and adoption.

The following key discussion items about the draft code amendments emerged during the joint deliberations:

- 1. Precisely defining "Electric Vehicle (EV) Ready." There were questions about if readiness entailed just providing conduit from an electrical panel to parking stalls or if it included additional features, such as a space in an electrical panel, a breaker, wiring, or conduit that provides the necessary electrical requirements to support the future addition of an actual EV charging station.
- 2. Providing an appropriate number of electrical outlets in a required bicycle storage area.
- 3. Providing appropriate ground mounted bike racks for heavier bicycles like e-bikes that do not require the user to lift and hang their e-bike.
- 4. Providing a definition for High Performing Buildings.

#### **STAFF RECOMMENDATIONS:**

Based on what Staff heard in the public hearing, the discussion between the Planning Commission and Houghton Community Council, and further staff research, the following has been addressed directly in Exhibit A to Ordinance O-4788, or noted where no action was taken by staff:

- Staff has amended the definition of EV Charger Ready by changing its title to "Electric Vehicle (EV) Ready Parking Spaces" and has revised the text in the definition to explain exactly what is required for this performance standard. This change is reflected in Exhibit A to Ordinance O-4788.
- 2. Staff did some research on electrical outlet requirements for e-bikes and e-mobility and concluded that the existing language in the ordinance is sufficient.
- 3. Staff did additional research on bicycle rack orientation and concluded that it is a topic best handled in a future code amendment and evaluated comprehensively with the expertise of the Public Works department and other stakeholders.
- 4. Staff has provided a definition of High Performance Buildings in Exhibit A to Ordinance O-4788.

Based on public comment and questions from the Planning Commission and Houghton Community Council, staff conducted additional analysis around EV ready requirements and concluded that requiring all parking stalls to be EV Charger Ready would be cost prohibitive. The adopted Sustainability Master Plan (SMP) establishes minimum percentages for EV charger ready parking stalls and actual EV charging stations for major developments.

Action ES-4.3 from the SMP states: Require EV charging stations with all new developments or redevelopments projects at a minimum ratio of one EV Charger for 10% of all required parking stalls, and require 20% of required parking stalls to be charger-ready for more EV chargers in the future.

In light of the additional cost of requiring all parking spaces to be EV ready and the direction from SMP Action ES-4.3 that provides minimum percentages, staff recommends an amendment to the Planning Commission recommendation and has included the following language in performance standard 3 in draft KZC 115.62.2.d.3 as shown in Exhibit A to Ordinance O-4788:

3) At least 20% of all required parking spaces shall be Electric Vehicle (EV) Ready Parking Spaces. In addition, at least 10% of all required parking shall be EV Ready Parking Spaces that are complete with a functioning electric vehicle charger;

#### CRITERIA FOR AMENDING THE ZONING CODE

Amendments to the text of the Zoning Code must satisfy the following criteria contained in Chapter 135 of the Zoning Code.

- 1. The proposed amendment is consistent with the applicable provisions of the Comprehensive Plan; and
- 2. The proposed amendment bears a substantial relation to public health, safety, or welfare, and
- 3. The proposed amendment is in the best interests of the residents of Kirkland; and
- 4. When applicable, the proposed amendment is consistent with the Shoreline Management Act and the City's adopted shoreline master program.

A brief analysis of how the proposed changes meet the criteria is discussed below.

**Staff Analysis:** The proposed amendments to the Zoning Code for High Performance Building Standards are consistent with the criteria listed above. The amendments are supported by the Comprehensive Plan's Environment Element policies including the following:

<u>Policy E-4.1</u>: Expand City programs that promote sustainable building certifications and require them when appropriate.

<u>Policy E-4.6</u>: Work with regional partners such as Regional Code Collaborative (RCC) to build on the Washington State Energy Code, leading the way to "net-zero carbon" buildings through innovation in local codes, ordinances, and related partnerships.

The amendments encourage redevelopment in a manner that is consistent with established policy direction and will help the City implement actions from the Sustainability Master Plan. The amendments promote high performing buildings that will use less energy and emit less pollution, which is not only beneficial to those living or working in these developments, but also promotes public health and economic resiliency

for the entire community. Criteria 4 above does not apply because these code amendments are not amending the City's adopted shoreline master program.

#### **PUBLIC NOTICE**

Zoning Code Chapters 135 and 160 describe the Process IV process for amendments to the Zoning Code. Per the code requirements, public notice was distributed 14 calendar days before the public hearing, notice of the amendment was published in the official newspaper, and posted on official notification boards of the City, and on the City's website.

#### **ENVIRONMENTAL REVIEW**

A State Environmental Policy Act (SEPA) Addendum to the City of Kirkland 2015 Comprehensive Plan Update Draft and Final Environmental Impact Statement on the draft amendments was issued on February 15, 2022 and is contained in the official file in the Planning and Building Department. The SEPA Addendum identifies that the proposed amendments would not result in new environmental impacts beyond those identified for the Comprehensive Plan Updated EIS.

#### **DEPARTMENT OF COMMERCE**

Under RCW 36.70A.106, the City is required to submit a Notice of Intent to Adopt along with any amendments to development regulations to the Washington Department of Commerce (DOC) at least sixty days prior to final adoption. DOC may review the draft regulations to confirm that they are consistent with the GMA, and with multi-regional and region planning policies. The City submitted the Intent to Adopt the Draft amendments to the DOC on January 19, 2022 with an expedited review request. The request was approved by the DOC and has confirmed that the code amendments may be adopted 15 days after the original submittal date, but no sooner than February 3, 2022.

#### **EQUITY IMPACT REVIEW**

The draft regulations include requirements for High Performance Building Standards that would yield health and wellbeing benefits to residents. High performance buildings also result in lower operational costs, including utility rates for building tenants, due to more energy-efficient construction. In addition, these buildings produce less carbon emissions and use less water, which would benefit the entire community.

#### **ATTACHMENTS:**

- 1. City of Seattle Green Building Requirements
- 2. City of Shoreline Green Building Incentives and Requirements
- 3. Comment Letter from MBAKS/Built Green

Ordinance O-4788

# City of Seattle Green Building Permitting Incentives

Incentive Name	Description	Benefit	Requirement	Authority
Living Building Pilot	Up to 20 projects based on Living Building Challenge green building certification. 12 projects currently enrolled.	Substantial Height, Floor Area increases, and additional design review development standard departures	-Living Building Challenge full building certification or petal certification -25% less energy/carbon emissions compared to energy code based on performance, not models -No potable water uses for nonpotable purposes.	Land Use Code SMC 23.40.060
Green Building Standard (Zoning Incentive)	Standard applies in various zones citywide and generally provides more development capacity	Floor area increase, height increases, option to build 2 <sup>nd</sup> ADU. In some multifamily residential zones, the standard applies when exceeding a floor area threshold.	-Green Building Certification -lead hazard mitigation during demolition -options for salvage and deconstruction -no fossil fuel use for heating, water heating or residential cooking	Land Use Code SMC 23.58D and Director's Rule 4- 2021
Priority Green Expedited	review of building permit process and single point of contact  must meet additional requirements to.  be more energy effective energy code  provide environme declarations to addressembodied carbon  use products with leading organic compounds added formaldehydes		<ul> <li>- be more energy efficiency than energy code</li> <li>- provide environmental product declarations to address</li> </ul>	Not codified



# **Build Better with the Deep Green Incentive Program (DGIP)**

The City of Shoreline is offering our Deep Green Incentive Program (DGIP), which gives developers who build green access to increased density, taller buildings and reduced fees. The DGIP applies to development projects that register with a third-party certification entity, such as the International Living Future Institute (IFLI), Built Green, US Green Building Council, Passive House Institute US, or Salmon-Safe.

## What are the potential incentives?

The DGIP offers four tiers of incentives, as noted in the table below.

TIER	CERTIFICATION	INCENTIVES	GENERAL INCENTIVES (ANY TIER)	
1	<ul> <li>ILFI's Living Building Challenge; or</li> <li>ILFI Living Community Challenge</li> </ul>	<ul><li>Up to:</li><li>100% reduction in city-imposed application fees</li><li>100% density bonus</li><li>50% reduction to minimum parking</li></ul>	<ul> <li>Expedited permit review for no additional fees</li> <li>Reduced Transportation Impact Fees, based on Traffic Impact Analysis</li> <li>Increase in maximum lot coverage standards</li> <li>Structure height bonuses (10 - 20 feet depending on zone)</li> </ul>	
2	<ul> <li>ILFI's Petal Recognition; or</li> <li>Built Green's Emerald Star</li> </ul>	Up to:  75% reduction in city-imposed application fees 75% density bonus 35% reduction to minimum parking		
3	<ul> <li>USGBC's Leadership in Energy and Environmental Design™ Platinum; or</li> <li>Built Green's 5-Star;</li> <li>ILFI's Zero Energy + Salmon-Safe; or</li> <li>Passive House Institute's PHIUS+ Source Zero + Salmon-Safe</li> </ul>	<ul> <li>Up to:</li> <li>50% reduction in city-imposed application fees</li> <li>50% density bonus</li> <li>20% reduction to minimum parking</li> </ul>		
4	<ul> <li>Built Green's 4-Star™; or</li> <li>PHIUS+™</li> </ul>	Up to:		

### Why should I take advantage of the DGIP?

There are many benefits of green buildings for both developers and occupants.



High Tenant Occupancy



Faster Review Reduced Fees Incentivized Zoning



Increased Asset Value



Creates Local Green Jobs



Energy Independence



Increased Marketability



Lower Utility Bills



Healthier Homes & City

From: Gina Clark

To: Planning Commissioners; Houghton Council

Cc: <u>City Council; David Barnes; Scott Guter; Sonja O"Claire; Nina Olivier; Jeremy McMahan</u>

Subject: High Performing Building Standards Written Public Comments

**Date:** Thursday, February 24, 2022 2:13:18 PM

Attachments: image001.png

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Good afternoon, Planning Commission and Houghton Community Council.

Below, please find joint public comments from MBAKS and Built Green for tonight's meeting on HPBS. We want to thank staff for the incredible amount of work on these amendments and look forward to continuing dialogue and collaboration as the Priority Green Program takes shape.

Please reach out to me if you have any questions or comments.

Take care, Gina

RE: Proposed High Performance Building Standards Code Amendments

Dear Chairs Rozmyn and Whitney, Kirkland Planning Commissioners, and Houghton Community Councilmembers.

Thank you for the opportunity to provide comment on the city's proposed amendments to the zoning code, High Performance Building Standards (HPBS). With nearly 2,600 members, the Master Builders Association of King and Snohomish Counties (MBAKS) is the largest local homebuilders' association in the United States, providing a range of housing choice and affordability. Our Built Green program is the predominate green building certification in Washington state, certifying over 41,000 sustainable housing units to-date while serving as a driving force for environmentally sound design, construction, and development practices in our communities. Together, we aspire to be the most trusted and respected housing experts in the region.

MBAKS and Built Green thank city staff for their work on these updates, including open communication, collaboration, and planning with the Built Green team. We understand the heavy lift with many challenging factors and appreciate the stakeholder input provided by the city throughout the process.

As the city moves forward with implementing and achievement of the Environmental Sustainability Plan (ESP) MBAKS and Built Green respectfully request the following:

#### I. Clarification of Code

MBAKS and Built Green thank staff for working to include most HPBS sustainability performance standards, incentives, and requirements into one code section. This helps streamline code, making it more efficient and easier to use for most professionals and residents.

However, MBAKS and Built Green would suggest making the code even clearer with easier to navigate reference to what zones and types of projects are subject to the regulations. While a trained professional can more easily understand and maneuver the code as written, less experienced professionals and residents could be confused and intimidated trying to apply the zoning section to determine where and if their project falls subject to the code.

#### II. Support for Expanded Incentives to Further Offset Costs

Although it's assumed "the rationale that costs of larger scale projects and upzones should be offset" by additional land use intensity and land value, construction costs, high land costs, regulatory mandates and review delays, and supply chain challenges and costs, are significant, adding to the complexity of building enough housing supply, sustainable housing, and affordable housing.

To help address these concerns, MBAKS and Built Green appreciate the city proposing more robust, easy-to-use incentives as well as a new Priority Green Program, similar to Seattle and Shoreline. These incentives will help offset costs to build more housing and more housing sustainably and we look forward to continuing to work with the city on this issue.

#### III. <u>Electrification of Buildings in this Proposed Amendment</u>

As the city moves towards decarbonizing through adoption of performance standards requiring electric buildings, MBAKS and Built Green recommend, in addition to incentives, a community and stakeholder education and outreach campaign to assist builders and property owners moving from gas to electric and how to best utilize third-party certifiers to take advantage of design and material efficiencies, incentives, rebates and tax credits to offset costs.

These types of proposed code amendments are complex, and cities often do not give the community needed lead time to make a graduated adjustments to planning or cost predictability or feasibility. However, working closely with builders and property owners to take advantage of incentives, we're hopeful the city can become carbon-free/fossil fuel free while at the same time meeting goals set forth in the Housing Element of the Comprehensive Plan, Housing Needs Assessment, and Housing Action Plan.

If, however, this HSPB is expanded to more zones and housing types, MBAKS urges the city to consider a phasing in from gas to electric, like what was done in Seattle. Building a home has never been most costly, nor have supply chain issues been more prominent. MBAKS and Built Green applaud the city's efforts joining a regional consortium to consider the expansion of the use of heat pumps. However, as an example, the vast majority of builders currently, and for the foreseeable future, are experiencing challenges getting heat pumps and heat pump parts, delaying construction and approval of permits, including occupancy.

In addition, the types of projects covered in this proposed amendment do use lumber which jumped 142% in 2021 to a record high of \$1,733 per thousand board feet, and as mills ramped up production, prices decreased by 75% to \$452 per thousand board feet at the end of 2021. However, given supply chain challenges that will not resolve for several years and tariffs on Canadian soft wood timber that continue, lumber prices climbed again by 184% to today's price of \$1284 per thousand board feet.

These high prices result in tightening demand, long waits for supply that delay housing production, and prices that exclude small and medium homebuilders out of the market. These costs and delays add \$25,000-36,000 to the cost of a single-family home with similar costs to multi-family builders.

We cannot control much of the costs of homebuilding like lumber supply and prices, but we can locally control how we incentive homebuilding, the timing of electrification mandates on certain zones and housing types and working together to ensure a balance between home production and environmental sustainability that serves diverse needs and populations.

Furthermore, by supporting expanded incentives that provide time savings, such as expedited permitting, and other types of incentives, can help to offset delays and costs from other market forces outside of our control.

#### IV. <u>Amend EV-Ready Parking Requirements</u>

MBAKS and Built Green share concerns over the cost and potential waste of resources that requiring all

parking spaces to be EV-ready will have on multifamily homebuilding. MBAKS and Built Green respectfully request the city provide data to show the rationale for this requirement, namely, that it is highly likely that every spot would need to be EV-ready by 2030 or even farther in the future. This is especially questionable as the city and region invest significantly in more transit options leading to reductions in cars per capita and high-density housing projects around transit that have fewer parking requirements.

The EV-ready requirement is over-reaching and will significantly add to project costs leading to further housing inequity. Furthermore, a project may have to reduce performance in other building areas, which will reduce environmental impacts now, to offset the additional costs required for the EV infrastructure.

MBAKS and Built Green respectfully request the city amend the proposed requirement to include a percentage of parking spaces be EV ready, rather than all spaces, as is done in other jurisdictions that have adopted such requirements.

#### V. <u>Amend Bicycle and Micro-Mobility Charger Ready Options</u>

While MBAKS understands the potential rationale around requiring charging readiness for other types of electric modes of transportation, like bicycles and other micro-mobility transportation, if EV is also proposed, we respectfully request data to show if this is needed enough to justify the additional, incremental cost to housing production. Although the city is requiring this now for only those projects with bike storage areas, a mandate is likely to result in builders simply not including bike storage areas into their designs. MBAKS respectfully requests the city not move forward with this additional charger amendment.

#### VI. Retain Solar Ready Flexibility

MBAKS and Built Green thank the city for maintaining solar ready flexibility, including flexible location and design standards. Providing solar installation is expensive for builder and homeowner. At a time when our region is facing a severe housing crisis, with critically low supply, lack of housing choices, and extremely high prices, we need to carefully balance housing with environmental sustainability and the smartest investments for the most efficient environmental returns.

While it seems a simple, cost-effective way to improve environmental health outcomes and fight climate change, solar readiness may not always be, considering the upfront cost to builders and property owners for solar panel installation on top of the already agonizingly high cost to purchase or even qualify for lending for a home in our region.

However, incentivizing solar ready provisions while allowing for location and design flexibility is a much better way to reduce costs and ensure a higher return on investment. This is especially true for larger projects, townhomes and condos, and duplex/triplex.

Townhomes, for example, often have more complex metering installations than single-family homes and metering is often co-located off-unit without the capability to install wiring to them and house panels that may not be located anywhere near the power meter. A single metering system is often unlikely and would not be effective for townhome hook-up, so design and location flexibility are key.

Additional rigid design criteria for "Missing Middle Housing," like townhomes, are a concern. It may not seem like much to dedicate 150 sq. ft. to the rooftop of a townhome for solar panels and associated equipment, but with the other design criteria already required, like height restrictions, setbacks, and roof pitch, it adds another layer of complexity to every structure increasing time and costs.

Finally, as noted in the staff report, oftentimes the roof is the one area for townhome or condo occupants to enjoy outdoor space to garden, dine, or recreate in other ways. Taking up valuable rooftop real estate for solar ready significantly limits the space, use, enjoyment, and quality of some homes.

All this is to say the best location for a solar ready system on a given site may not be the roof of the home

– it could be an accessory structure, detached garage, covered parking area, or the ground. The city is headed in the right direction by supporting solar ready design and location flexibility.

Finally, MBAKS and Built Green urge the city, if it has not already done so, to consider incentivizing community solar projects that can provide renewable energy for multiple homes. Community solar energy generation projects can create net zero energy communities, while spreading the costs out among multiple housing units and providing more flexibility in where the solar is placed for optimal performance.

#### VII. Reduction of Water Use

MBAKS and Built Green applaud the city's goal of reducing water use. If this requirement moves forward, MBAKS and Built Green support community education and outreach to help builders and property owners more clearly, effectively, and easily reach this goal. For example, through rather simple adjustments of using low-flow fixtures, Energy Star appliances, drought-tolerant landscaping, and following the recommendations of third-party certifiers who can provide clear guidance on how to achieve the 20% savings.

Finally, MBAKS and Built Green urge the city, if it has not already done so, to further reduce water consumption and improve conservation by:

- Adopting a municipal program to fix leaking city pipes. North Bend adopted a similar program two
  years ago and has seen a 40% decrease in water consumption.
- Adopt a community education and rebate program to incentivize existing buildings to reduce
  water use and waste by 20%. North Bend has also adopted a community education and outreach
  campaign for existing buildings that is helping to reduce water consumption.

Again, MBAKS and Built Green thank staff for their time, efforts, and outreach, and we thank you for your consideration of our comments. Please consider MBAKS and Built Green a resource for sustainability and homebuilding as we continue to find solutions together for our climate and housing challenges.

Sincerely, Gina Clark, MBAKS King County Manager Sonja O'Claire, Built Green Manager



Gina Clark | Government Affairs Manager, King County

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