

ALEXANDRIA PLANNING COMMISSION

301 King Street, #2100 Alexandria, VA 22314 703.746.4666 www.alexandriava.gov/planning

June 4, 2025

Dear Mayor Gaskins, Vice Mayor Bagley, and Members of City Council,

The Planning Commission writes to you today to commend recent efforts to bring forward an updated and stronger Green Building Policy for new development, and to request Council and staff consider **two key areas** in which the proposed policy could be improved.

In February of 2022, the Planning Commission, the Environmental Policy Commission, and the Transportation Commission provided Council with a joint letter declaring the commission's shared concern that more must be done, and sooner, to address the <u>climate emergency</u>¹. Of the five key recommendations in that letter, the first two pertained to sustainable new building development by both the public and private sectors, and it highlighted the limitation of the 2019 Green Building Policy in terms of getting to adopted Environmental Action Plan 2040 targets for citywide greenhouse gas emissions reductions.

Then in February of 2023, the Planning Commission and Environmental Policy Commission delivered another joint letter in which the two commissions focused guidance on how planning tools could bring us more sustainable new building development: improvements to our master plans and small area plans, the Green Building Policy, Coordinated Development District Concept Plans, and Development Special Use Permits.

Today, we are pleased to see that the Office of Climate Action has put forward a proposed Green Building Policy Update, focused first and foremost on energy use intensity, or EUI, as the cornerstone of sustainable building design. This performance-based approach ensures developers have the most flexibility possible within their design process, while also making the standard of performance clear. The proposal's further commitments to building electrification, the option to off-site a portion of renewable energy generation for the City's net-zero buildings, and the provision of several alternative compliance paths provide a more effective green building framework for new development. This proposal also smartly acknowledges the special cost and efficiency considerations of affordable housing projects and building conversions, offering nuance that is needed for community development priorities.

There are **two key areas** where the proposed policy could do more to help us reduce GHG emissions 50% by 2030 (from 2005) and 80-100% by 2050.² These suggestions would also better align the Green Building Policy's standards of performance into proportion with, and to mitigate, the negative climate impacts of new developments in our community:

1. **The EUI Targets under Compliance Option 1 need to be stronger.** Staff and consultants considered a range of options for setting EUI targets for new development, and then selected the lowest threshold as a step up from the baseline of how development performs today.

¹ Council's Emergency Declaration: <u>https://www.alexandriava.gov/news_display.aspx?id=111923</u>

² This goal is promulgated in both the <u>Environmental Action Plan 2040</u> updated in 2019 and the <u>Energy and Climate</u> <u>Change Action Plan</u> from 2023.

Unfortunately, that small incremental step, just an 8 percent reduction from today's energy use baseline in the example of multifamily residential development, is not going to be enough to get us to our goals. We recommend that this policy update establish a "better" threshold, 35 EUI which represents a 15 percent reduction in energy use intensity from the baseline of existing development in the city. We also recommend that the policy establish a schedule for incremental reductions in the EUI target over time which will align with reaching the city's net zero energy building goal.

2. The Onsite Renewables Annual Energy Offset should be larger, in recognition that the share becomes a smaller total amount of energy generation the more energy-efficient the building designs get. The current proposal suggests that buildings only provide 3% onsite, or 90% of that cost if choosing to forgo onsite provision and instead pay into a fund. We think that with the efficiencies of new buildings, developers should be able to provide for 5% of the required building energy through onsite renewables, and that the alternative path of paying into a fund should actually be greater than the cost to build it themselves. This is because administering a fund to build renewables or energy efficiency improvements elsewhere comes with overhead and logistics challenges for the city to bear, not to mention that the delay in implementation will reduce the relative value of the payment through factors such as inflation. As in the recommendation for EUI, we recommend the green building policy establish a schedule for incremental increases in the expected percentage of on-site energy generation over time, and that the policy provide a foundation for discussion of necessary on-site storage capacity as distributed energy generation becomes more prevalent in the future.

In closing, our **two key recommended improvements** are in the interest of ensuring that new development in the City of Alexandria is responsive to the city's established environmental goals and that the direct and embodied emissions impacts of new buildings are mitigated to the extent possible through adherence to a strong, clear, and flexible green building policy. The Planning Commission understands that property developers are working within economic constraints and that the macro national and even international pressures on their business change over time. Nonetheless, the climate emergency Council acknowledged in their declaration of 2019 continues to be one of the greatest challenges of our time. We thank you for the opportunity to comment on this important piece of public policy.

Sincerely,

Melissa McMahon, Chair, Alexandria Planning Commission

cc: Alexandria Planning Commission Jim Parajon, City Manager Karl Moritz, Planning Director Ryan Freed, Climate Action Officer