

ALEXANDRIA PLANNING COMMISSION

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

June 23, 2025

Dear Ryan Freed and the Alexandria Office of Climate Action,

The Planning Commission wishes to commend and strongly support Council's recent efforts to bring forward an updated and stronger Green Building Policy for new development. In the hope that it will in no way diminish our appreciation of work done to-date, the Commission requests that the Office of Climate Action consider **two small but important changes** to advance the effectiveness of the Policy update. **First**, we recommend that the Energy Use Intensity (EUI) target for multifamily residential buildings be lowered to 30 EUI today, ramping down to 23 EUI by 2030. **Second**, we recommend that the Onsite Renewables Annual Energy Offset target of 3% be increased to 5%, and that the option of paying into a fund instead be increased from 90% of the onsite cost to 120% of that cost. A more complete discussion of the basis for these recommendations follows.

Background

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

In February 2023, the Planning Commission and Environmental Policy Commission delivered another joint letter in which they 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.

The Office of Climate Action has now put forward a proposed Green Building Policy Update (the "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 Update'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. The Update 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.

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

Recommendations

There are **two key areas** where the Update could do more to help Alexandria reduce GHG emissions 50% by 2030 (from a 2005 baseline) and 80-100% by 2050.² If approved, we believe these recommendations would better enable the Green Building Policy to mitigate the negative climate impacts of development.

- 1. Stronger EUI Target for Multifamily Buildings. The project team considered a range of options for EUI targets for new multifamily development and then selected 38 EUI as a step up from the baseline of how all existing multifamily development performs today. Unfortunately, that small step, just an 8% reduction from today's energy use baseline, is not going to be enough. Their analysis uses a baseline of <u>all</u> existing buildings, including ones built under antiquated energy codes, rather than looking at the EUI of recent development as the baseline upon which to improve. The average minimum performance required under today's energy code in Alexandria is 32 EUI for multifamily buildings.³ The top 25% of multifamily buildings built in Alexandria in the last 15 years average 30 EUI.⁴ We recommend the Update set a threshold of **30 EUI now** based on the top-performing buildings that are already being built. We also recommend that the policy establish a schedule for reductions in the EUI target ramping down to **23 EUI**⁵ by 2030, to align with reaching the city's net zero energy building goal.
- 2. Larger On-site Renewables Annual Energy Offset. We recommend that this offset be made larger, in recognition that the offset becomes a smaller total amount of energy generation the more energy-efficient the building design. The Update suggests that buildings only provide 3% of the energy requirement through onsite renewables. We find this too modest a goal to address the climate emergency. We think that with the efficiencies of new buildings, developers should be able to produce 5% of required building energy through onsite renewables.

In addition, the Update provides developers the option to pay into a fund rather than install the renewables on-site as part of their project. The Update suggests they only pay 90% of the installation cost as this in-lieu payment. In fact, this alternative path should **exceed the foregone onsite cost by a modest amount, perhaps 20%**. This is in part to discourage use of the fund option in preference for more timely installation on-site. Further, administering a fund to build improvements elsewhere comes with overhead and logistics challenges for the city to bear, apart from the fact that such delay in implementation will reduce the relative value of the payment through inflation and similar factors. As with EUI, we recommend that the Update 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 recommendations** help to ensure that new development in the City of Alexandria is responsive to 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.

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.

³ Data and Analysis for Alexandria Target Setting, Pacific Northwest National Laboratory, table 5, page 5.

⁴ Data and Analysis for Alexandria Target Setting, Pacific Northwest National Laboratory, table 4, page 4.

⁵ This target meets current best practice represented by "Achieving Zero Energy: Advanced Energy Design Guide for Multifamily Buildings, ASHRAE 2022", Figure 3-1, page 27.

Sincerely,

Melissa McMahon, Chair, Alexandria Planning Commission

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