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## **Green** paradigm

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### **Going for the Gold**

San Francisco Considers Heightened LEED Building Requirements

By David Longinotti

**Top:** Mayor Gavin Newsom

Bottom: Supervisior Aaron Peskin



The mayor's task force recommendations offer a more gradual and accommodating approach to implementing green buildings. t seems only a matter of time before San Francisco imposes the LEED Gold standard on its large-scale development projects. Supervisor Aaron Peskin and Mayor Gavin Newsom have each released proposals that would impose the LEED Gold standard on private construction projects.

Peskin introduced his Green Building Design Ordinance on June 19 of this year, and Newsom's Task Force on Green Building released its report and recommendations on July 11. These proposals address the city's goal of sustainable development, with a focus on green building: The design and construction of buildings that are environmentally and energy efficient. Though both proposals increase the standard for major private construction projects to the LEED Gold standard, they differ in scope, building requirements and method of implementation. Overall, Newsom's plan is a more gradual approach, which mitigates the costs and difficulties builders and owners will face when transitioning to green building. An Economic Impact Report of Peskin's proposal, dated Sept. 1, 2007, sets the stage for the two proposals to be reconciled into new law.

#### Peskin's ordinance

Peskin's Green Building Design Ordinance proposes amending the San Francisco Building Code to require all new or added construction more than 20,000 square feet to comply with the Leadership in Energy and Environmental Design (LEED) Gold rating, or equivalent standard. The LEED Green Building Rating System was developed by the U.S. Green Building Council and is a nationally recognized and accepted standard for the design, construction and operation of green buildings. Under current policy, city construction projects are required to meet the LEED Silver standard, whereas private construction projects are not, but are given priority in the permit process if they meet the LEED Gold standard. If Peskin's ordinance passes, this voluntary and incentive-based system for private construction would be replaced with a mandatory LEED Gold requirement, which would go into effect almost immediately. To qualify for the LEED Gold standard, builders and developers of construction projects must earn a minimum of 39 LEED credits, which are allocated on the basis of environmentally safe building practices in five categories: Sustainable Sites, Energy and Atmosphere, Water Efficiency, Indoor Environmental Quality and Materials and Resources. Under Peskin's ordinance, applicants for building permits would have to submit documentation indicating the measures they would use to achieve compliance with the Gold standard, or else risk rejection of their permit applications. There would also be a mandatory compliance inspection after one year, failure of which could result in a stop-work order, and/ or withholding of final building approval and certificate of occupancy. The only exemptions from the new requirements would be for city projects and for considerations of hardship, infeasibility or historical integrity, as authorized by the Department of Building Inspection. Thus, Peskin's program would greatly affect many commercial building owners.

#### Newsom's task force recommendations

The mayor's task force also proposes expanding green building standards for private commercial and residential construction projects. However, these recommendations differ from Peskin's proposal in scope, applicable building standards and method of implementation.

The task force's recommendations cover a broader range of construction projects than Peskin's ordinance, including new small and mid-size residential units, new commercial buildings of more than 5,000 square feet, and major alterations to existing commercial buildings. However, instead of mandating compliance with one building standard, the applicable standard would vary depending on the size and type of construction project, and the building standards would only be mandatory for the larger construction projects. For example, a construction project for a new large commercial building of more than 25,000 square feet would ultimately have to reach the LEED Gold standard, whereas a smaller residential unit would be evaluated under a different standard called the Green Point Rating and would have no point requirements.

Also, unlike Peskin's proposal, the task force recommends a gradual approach with a five-year phase-in, increasing to LEED Gold by 2012. The first phase would not begin until January of 2008 and would start at a much lower standard than Peskin's ordinance would require. The phases in the mayor's plan would also differ based on the type and size of the buildings, with the larger buildings having a faster and heftier increase in requirements each year. For example, under the task force recommendations, new large commercial buildings would have to be LEED Certified by 2008, LEED Silver by 2009 and LEED Gold by 2012, whereas similar buildings under Peskin's program would have to be LEED Gold immediately.

Finally, unlike Peskin's ordinance, the task force recommends an incentive program, including development bonuses, property assessment equalization, fee reductions and priority permitting.

#### The task force plan is the best option

The mayor's task force recommendations offer a more gradual and accommodating approach to implementing green buildings and therefore will be easier on builders and owners of commercial and residential projects in San Francisco. The recommendations are currently being written into legislation by a city attorney but will need approval by a majority vote of the Board of Supervisors.

The city recently released an Economic Impact Report about Peskin's ordinance (http://www.sfgov.org/site/uploadedfiles/controller/oea/070925economic\_impact\_final.pdf). The report concludes that the economic cost of Peskin's proposal is "relatively high" in the short term and offers ways to mitigate this impact — phased on implementation and a market-based approach — that are consistent with the Report and Recommendations of the mayor's task force.

According to the Department of the Environment, which supervises green building regulation, the two proposals may be in the process of merging. The department anticipates that the resulting legislation, if successful, will be adopted in early 2008.

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