From: MAYOR

Subject: AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE
CHAPTER 23.05 TO REQUIRE CONSTRUCTION AND
RENOVATION OF MUNICIPAL PUBLIC FACILITIES TO MEET A
SUSTAINABLE BUILDING STANDARD AND TO PROVIDE
INCENTIVES FOR PUBLIC AND PRIVATELY DEVELOPED
FACILITIES.

This ordinance implements the United States Green Building Council’s LEED rating tool, or
the International Code Council (ICC)/National Association of Home Builders (NAHB)
Nation Green Building Standard (NGBS) as measurements of sustainability for new building
construction and major renovation projects using municipal funds. LEED (Leadership in
Energy and Environmental Design) and NGBS have been adopted by scores of government
agencies around the U.S. as a means to achieve energy efficient, resource conserving
construction of government funded buildings. Under the ordinance, municipal buildings are
required to meet a minimum of LEED certified as of the effective date and LEED silver three
years from the effective date, homes are encouraged to use LEED for Homes or NGBS, and
commercial buildings are encouraged to use LEED.

Additional information about the U.S. Green Building Council and the LEED rating tool is
available at www.usgbc.org or by writing to:

U.S. Green Building Council
1800 Massachusetts Avenue NW, Suite 300
Washington, DC 20036
Phone 1-800-795-1747

Additional information about ICC/NAHB’s NGBS is available at www.nahb.org and
http://www.nahbrc.org/technical/standards/greenbuilding.aspx or by writing to:

National Association of Home Builders
1201 15th Street, NW
Washington, DC  20005
Phone 1-800-368-5242

A link to USGBC and NAHB web sites will also be accessible from the municipality’s web site.
In the U.S., buildings account for 12.2% of freshwater use, 38% of CO2 emissions, 40% of material use, and 39% of energy use. As the public and private sectors are facing unprecedented fuel and electricity costs, this policy seeks to improve efficiency and reduce operating costs for buildings in the Municipality.

In 2007, American Institute of Architects (AIA) conducted a study of U.S. cities to determine the extent of sustainable building policies. Of 606 U.S. Cities with a population of more than 50,000, 92 cities have green building programs in place, and another 36 cities have programs in the works. Forty-two (42) million people live in cities with sustainable building policies. Of the 92 city sustainable building programs, 73 apply to municipal development.

Programs include tax credits, loans, and subsidies, as well as expedited permitting and other non-financial incentives. Communities with sustainable building programs include Salt Lake City, Utah; Chicago, Illinois; Cincinnati, OH; San Diego, California; Seattle, Washington; and the Matanuska-Susitna Borough, Alaska. The value of green building construction starts exceeds $12 billion in 2008 and is projected to increase to $60 billion by 2010. There are currently 9867 buildings registered for LEED certification on the USGBC web-site, and 1283 buildings achieved some level of certification.

A 2006 study of LEED certified schools found green schools, on average, cost about 2% more than conventional schools, but provide financial benefits 20 times larger than conventional construction. Green schools use an average of 33% less energy than conventionally designed schools. Productivity is affected by quality of lighting, amount of daylight, views to the outdoors, temperature control, efficiency of space, and ventilation rates. Productivity gains from improved temperature controls alone equal an average of 3.6% in LEED schools. Another recent review of five separate studies found an average asthma reduction of 38.5% in buildings with improved air-quality.

The U.S. Green Building Council conducted a study of 168 existing LEED-certified office buildings, and found projected savings of:

<table>
<thead>
<tr>
<th>LEED Rating</th>
<th>No. of Buildings</th>
<th>Water %</th>
<th>Energy %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certified</td>
<td>64</td>
<td>30.1</td>
<td>29.4</td>
</tr>
<tr>
<td>Silver</td>
<td>49</td>
<td>30.4</td>
<td>33.3</td>
</tr>
<tr>
<td>Gold</td>
<td>46</td>
<td>32.5</td>
<td>40.0</td>
</tr>
<tr>
<td>Platinum</td>
<td>9</td>
<td>34.4</td>
<td>55.0</td>
</tr>
</tbody>
</table>

NAHB is a federation of more than 800 state and local associations. About one-third of NAHB’s 235,000 members are home builders and/or remodelers. NAHB’s builder members construct about 80 percent of the new homes constructed each year in the United States.

The sustainable design process holistically and creatively connects land use and design at the regional level and addresses community design and mobility; site ecology and water use; place-based energy generation, performance, and security; materials and construction; light and air; bioclimatic design; and issues of long life and loose fit. True sustainable design is aesthetic, humane, socially appropriate, and restorative.
Local and national groups have endorsed this ordinance; letters are attached. Additional information is attached as appendices, including:

Examples of Government LEED Policies, July 2007
Alaska LEED Buildings Case Studies- Homer, Barrow, Anchorage, March 2007
The Case for Building Green, September 2007
The Cost of Green Revisited, July 2007

THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE CHAPTER 23.05 TO REQUIRE CONSTRUCTION AND RENOVATION OF MUNICIPAL PUBLIC FACILITIES TO MEET A SUSTAINABLE BUILDING STANDARD AND TO PROVIDE INCENTIVES FOR PUBLIC AND PRIVATELY DEVELOPED FACILITIES.

Prepared by: Office of Economic & Community Development
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Office of Economic & Community Development
Concur: Ron J. Thompson, Development Services Director
Concur: James N. Reeves, Municipal Attorney
Concur: Michael K. Abbott, Municipal Manager
Respectfully submitted: Mark Begich, Mayor