



CITY OF SOMERVILLE, MASSACHUSETTS CLERK OF COMMITTEES

November 9, 2010

REPORT OF THE LEGISLATIVE MATTERS COMMITTEE

| Attendee Name | Title | Status | Arrived |
|--------------------|--------------------------------|---------|---------|
| Thomas F. Taylor | Chair | Present | |
| Rebekah L. Gewirtz | Vice Chair | Present | |
| Robert C. Trane | Ward Seven Alderman | Present | |
| John M Connolly | Alderman At Large | Present | |
| Bruce M. Desmond | Alderman At Large | Present | |
| Maryann M. Heuston | Ward Two Alderman | Present | |
| Monica Lamboy | OSPCD | Present | |
| David Lutes | Sustainability and Environment | Present | |
| Omar Boukili | Administrative Assistantr | Present | |
| Eliza Johnson | Energy Commission | Present | |
| Andrea Ranger | Energy Commission | Present | |
| Peter McPhee | Energy Commission | Present | |
| Don Briggs | FRIT | Present | |
| David Webster | FRIT | Present | |
| Scott Parr | FRIT | Present | |

188383 - That the Director of SPCD Advise This Board Whether the City Should Adopt Appendix 120.AA in Place of the Energy Efficiency Requirements of the “Base” Building Code.:

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| RESULT: WORK COMPLETED |
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189163 - An Order Adopting Appendix 120.AA of the Massachusetts Building Code, Known as the Stretch Energy Code, as the Energy Code for the City of Somerville:

Ms. Lamboy and Mr. Lutes explained the Green Communities Act and the Stretch Code and the criteria required for participation. To date, 50 municipalities have adopted the Stretch Energy Code. Approximately \$7 million of the \$10 million available for grants was distributed during the first round last spring. Of the remaining funds, Somerville would be eligible for somewhere in the vicinity of \$200,000. The practical applications of the code are not known at this point, so there is an unknown area that needs to be recognized.

Several members of the public spoke about the new code noting that requirements for homeowners aren't that stringent, many contractors already built to Energy Star requirements,

building to a higher level of energy savings should be viewed as a marketing tool, it is less costly to make a building comply during its construction than it is to update it after construction and since the code is going to be law in Oct 2012 anyway, why not start now?

Don Briggs, from Federal Realty Investment Trust (FRIT) agrees with the need for energy efficiency but said that choices need to be made in development as to where to put available funds. FRIT invested \$15 million for an MBTA station and additional funds for parks, gas line extensions for possible future co-generation, improvement of the perimeter infrastructure, verticle mixed used development, a land swap with IKEA to create a mixed used development site. FRIT also retained a sustainability consultant and remediated a brownfield. Passage of the Stretch Energy Code would add \$15 to \$20 per square foot in construction costs at Assembly Square, according to Mr. Briggs and would ultimately add an additional \$1.50 to \$2 per square foot to rental charges. Mr. Briggs stated that in order for Assembly Square to be competitive, costs must be held down. FRIT can't afford to build under the terms of the new code now and would prefer to defer this matter for the time being and work in partnership with the city to find out what the actual costs really would be. Mr. Briggs said that FRIT is currently negotiating with a company for laboratory space and that complying with the new code might jeopardize the negotiations. Mr. Briggs told the members that FRIT recognizes the need for energy efficiency and started investigating a co-generation facility, trying to convince state to make it a pilot program, however, neither the state nor NSTAR had any desire to invest in the project. Scott Parr, a consultant for FRIT, said that the additional cost for the laboratory building might be as high as \$20 million with Stretch Code.

Andrea Ranger spoke about her work as an energy consultant and said that although she understands FRIT's concerns, she disputes the \$20 million additional cost noted by FRIT and added that utility companies are mandated by law to commit funds to such projects.

Alderman Connolly believes that the real costs aren't clear and that additional data is needed before the committee can vote on the matter. Alderman Gewirtz stated her desire to move forward so as not to lose the opportunity of securing funds. Alderman Desmond said that the city's revenue stream is getting smaller each year and that the city would be depending on tax revenues generated by Assembly Square in the future. Chairman Taylor requested information relative to the actual additional construction costs to developers and what commitments would be made by the utility companies. Mr. Lutes replied that he would be able to obtain some of the information requested, but probably not the construction costs, by next week.

Chairman Taylor also requested tat the Law Department review and provide an interpretation of the following line from 780 CMR: State Board of Building Regulations and Standards, Appendix AA: Stretch Energy Code, section 101.3 **"This code may be adopted or rescinded by any municipality in the commonwealth in the manner prescribed by law."**

The Committee will meet on November 17th at 7:00 PM to discuss this matter further.

RESULT: KEPT IN COMMITTEE

Next: 11/17/2010 7:00 PM