

# Our Homes, Our Offices, Our Climate, Our Community

## Nelson Building Sector Consultation Comments

Wednesday, December 8



The City hosted a workshop with members of the building sector to solicit input on a community plan to reduce greenhouse gases and advance energy sustainability. Stakeholders included a variety of players in the building sector such as developers, builders, architects, renewable energy specialists, as well as City Council and staff. The meeting's primary consultation objective was:

*Preliminarily explore barriers and potential breakthroughs for advancing low carbon buildings within the context of the Community Climate Action & Energy Plan*

With further analysis, including high level evaluation of the technical, resource, economic, policy potential, these ideas will help shape a draft Plan. For the purpose of the workshop, low carbon buildings focused on the envelope, building/site-scale renewable heat, and passive building/site design for new and existing buildings.

### Summary

Concurrent and rotating discussions in small groups explored a range of policy tools, and barriers and breakthroughs to preferred actions.

### Municipal Policy Tools Discussion Highlights

Stakeholders discussed a wide range of municipal policies categorized by type: capacity building, financing, regulatory and voluntary tools.

#### Capacity Building Tools: Highlights

- High interest in *building performance labelling* at point of sale or re-sale as a potential tool for increasing interest in performance for builders, real estate agents, prospective owners
- *City staff capacity building* would be necessary for diverse staff constituencies (permitting staff, inspectors, planners, engineers...) with some unique requirements for each including finance, rating systems, role of internal policy tools.
- *Building sector capacity building* was felt to be necessary and important in a focused manner but not something the City should do in a comprehensive manner given its limited resources and other well positioned organizations, e.g.
  - Some *Canadian Home Builders Association chapters* have strong green building training programs such as *Central Interior* which annually builds a *Built Green* training house. East Kootenays currently exploring establishing a chapter and there may be an opportunity to collaborate.
  - The Kootenay Leaf of the Cascadia Green Building Council has a very active local presence.
- Modest interest/opportunity in developing a *sustainability or neighbourhood block*, beyond the Waterfront, as a way to explore integrated energy options (buildings, energy supply, transportation).
- Modest interest in using a *recognition and rewards program* to acknowledge sustainable building leadership

#### Financial Tools: Highlights

- *Property Tax Exemptions* may potentially incent higher performance in some circumstance but generally *builders* would *not* be incented for new buildings because they would not benefit. The tool would likely work better for retrofitting existing buildings. There are, however, revenue implications for the City.
- There is wide interest in low/no interest loans offered through *revolving funds* to finance energy innovations in new and existing buildings that would be paid back based through energy savings, but no immediate ideas on how to seed such a fund.

- There is high interest in using *Local Improvement Charges* to finance green buildings if the Province would permit the use of this tool. (Residents/businesses would pay back the upfront costs through savings based on a charge added to property tax. The LIC would stay with owner rather than property.)
- There was strong interest in *Nelson Hydro Upfront Financing* for new or existing building energy innovations that would be paid back through utility bills. One modest barrier identified was the ownership lifecycle being reasonably short it would not work with some constituencies who move/change ownership a lot unless the “loan” stayed with the property.
- There was some interest in how a *Local Offset Strategy* could be developed to help support energy innovations that could then be used to allow the City to achieve its corporate carbon neutral objective or other public institutions like the School Board or Health Authority.
- There was modest interest in using *Density Bonusing* to incentivize energy performance – not because it would not be effective, rather because of the limited local opportunities.
- Some builders were not in favour of incentives that penalized conventional builders directly or indirectly. However, other builders, architects and energy auditors felt any incentive that worked effectively to increase the share of higher performance buildings, and offset the higher upfront costs, were needed.

### **Regulatory & Voluntary Tools: Highlights**

- Cost is the biggest hurdle to implementing green building options (architect)
- Many options are cost prohibitive when incentives removed
- Option to require energy audit at time of sale and provide tax break based on any upgrades made before or after the sale.
- Possible maximum residential building size bylaw
- General consensus by those already designing and building high performance buildings that a strong regulatory approach is the best way drive to change – need new bylaws to meet goals – needs to be policy, bylaw, or regulation to be effective. Playing field must be level.
- Allow buyout of rezoning requirements to be used in a fund for sustainability projects
- Bylaws like solar ready requirement need an option to opt out for specific sites where it doesn’t make sense – e.g. buildings with no useful solar resource due to topography, etc. One size does not fit all.
- In many cases incentive programs make renewable or green options appear like they don’t make sense on their own when in fact they have lower life cycle costs and do make business sense but first cost orientation, and incentives split between builders and owners make these investments prohibitive.
- Alternative building techniques like straw bale or cob aren’t covered by the building code and therefore require engineering that increases cost
- Option to devalue total construction costs for building permit by the amount spent on improvements beyond building code requirements.
- Option to make the sustainability checklist mandatory and have the score trigger development fee rebates
- Currently there appears to be few bylaw impediments so bylaw review not a high priority, according to inspector
- Covenants – building inspector noted that lawyers/realtors weren’t making prospective buyers aware of the covenant and that people purchased lots and were surprised and disappointed when they applied for a building permit.
- Many building related policies and standards would be better done provincially – don’t want Nelson to stand out from the crowd and discourage development
- Requiring buildings to be electric vehicle ready (provide suitable conduit from service panel to garage) may be worth while in the near future
- Increase density by allowing laneway housing in OCP
- People seem to strongly prefer cash rebates to low interest loans (Terasen)

## Breakthroughs and Barriers: Highlights

Stakeholders discussed actions they would like to take in the community, and the barriers and breakthroughs to taking action.

Actions <i>sector would like to take</i>	Barriers <i>obstructing action</i>	Breakthroughs <i>opportunities to overcome those barriers</i>
Build Energy Efficient Homes	Cost (need to foot bill at start)	Need for a regional coordinator to gather and disseminate information or post information at City Hall (non-biased entity, familiarity with code and products)
	resistance from clients/hard to get buy in from clients	Opportunity to lobby for local Chapter of Canadian Homebuilder Association (no local group right now, but East Kootenay is looking into one?). Wilf to call the Homebuilder Association for more info. Would help development community stay up to speed on innovative methods re: energy efficiency
	takes time to educate clients to encourage uptake of green building	
	takes time away from business to educate self	
	not enough rebates or incentives	
	products/methods changing constantly	
	easy to stick to gravy train	
Have a strong business mandate for performance buildings	hard to keep up to date with new practices and building codes and rules are constantly changing	Sessions like this morning's where developers/builders/architects can gather and share ideas
	fear of loss of clients	lots of local talent for green building
Promote efficient use of space and design when planning homes for clients (build for optimal size - passive systems/insulation) or performing retrofits	fundamentals = easy but if going beyond typical, takes time to educate clients and program costs can be expensive (i.e. Built Green)	opportunity in town for a great deal of consultant work (many older homes)
	cost increases to client	increasing familiarity in town with atypical building
	need for education of clients - idea that bigger = better (trend of consumption)	

## Participants

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2	Brillon, Marc	Ellenwood Homes
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4	Harold, Mark	Renew Technologies
5	Hill, Peter	Terasen Gas
6	James, Adam	Community Energy Association, Facilitator (consultant)
7	Johnson, Dallas	City, Planner, Climate/Energy Steering Cttee
8	Karrasowitsch, Dave	Selkirk Power
9	Kaup, Steven	Studio 9 Architecture and Planning
10	Kiss, Paula	The Building Tree
11	Kozak, Deb	Councillor, City of Nelson
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15	Schmidt, Wilfred	Sundance Homes
16	Southam, John	City, Building Inspector
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## Prepared By

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