

Climate Change, Energy, and Environment Commission (C2E2)

Summary of March 25, 2024

Hybrid meeting

Members Present: Joan McIntyre, chair; Cindy Lewin, David Evans, Doug Snoeyenbos, Joe Trivette

Members Virtual: N/A

Members Absent: Majdi Shomali, Mikaila Milton, Jonathan Morgenstein, Kevin Vincent, Mark Greenwood, Rob Sandoli, Eric Gibbs, Elizabeth Whitney

Guests Present: Jean Henceroth (President of Leeway)

Guests Virtually: Demetra McBride (DES-OSEM), Paul Roman (DES-AIRE), Judy Collins (League of Women Voters, Arlington, Alexandria City), Scott Sklar (Energy Committee), Vicky Kiechel (ACG), Karen Guevara (Planning Commission Liaison), Paul Sawgrass (resident Arlington)

Staff Present: Jenna Peabody (DES-AIRE)

Public comment

None.

Review January and February summary.

Did not review. Will review in April along with March Summary.

Proposed Updates to the Green Building Incentive Program

Demetra, Paul and Vicky presented. The presentation was shared with the Commission prior to the meeting and is on the website for reference. After the meeting, follow up briefs and redlined documents were shared directly with the Commission.

Specifically, Demetra McBride provided an update on the federal grant situation, mentioning that the CPRG filings were due to occur that Friday. She explained that the COG territory had discovered that Maryland and DC had filed their own independent BEPS building energy performance program, leading to a demand for buildings to be removed from the COG application. As a result, the COG filed a coalition application that included Northern Virginia, the Metropolitan Service area of Richmond, and the Metropolitan Service area of Hampton Roads. This combined population was approximately 6 million in Virginia, encompassing LIDAC multifamily and commercial buildings, non-LIDAC commercial and multifamily buildings, and government municipal buildings, including schools. Demetra also mentioned that this was not

the only discussion with C2E2 and the Energy Committee. She and Paul planned to give a high-level review and expected to return in April for further discussions. She anticipated a longer and more intensive engagement due to the dramatic differences from previous green building incentive programs.

She then discussed the reasons for the changes to the program, citing waning developer interest, changes in the commercial market, and the emergence of issues of adaptive reuse. She mentioned that developers were looking for simpler pathways and that the green building incentive program needed to address climate challenges and the CEP more effectively. Finally, Demetra outlined the first proposal, which was to streamline the LEED options, focus on the FIOS PHIUS climate adaptation model, introduce an existing buildings pathway and an adaptive reuse pathway, and implement tiered financial incentives.

Paul Roman discussed the summary of the updated Green Building Incentive Program (GBIP) proposal. He broke down the proposal into three types of construction: new construction, existing buildings, and conversion or adaptive reuse. Each type of construction had a designated pathway. For new construction, there were two options. The first was the traditional pathway, which proposed an upgrade from LEED Gold to LEED Platinum at the lower bonus density tiers. The second option was the climate adaptation pathway, which would use the Passive House (PHIUS) Zero Certification. For existing buildings, the applicant would first need to prove that the building had undergone a retrofit. They could then gain a financial incentive by either achieving Energy Star certification or by proving a 10% reduction in the building's energy use intensity.

For conversion or adaptive reuse, this would be for existing commercial buildings that were converted into residential. They proposed a financial incentive and two options: a market rate award per unit and an affordable housing rate award per unit. Paul also discussed financial incentive examples for four buildings in Arlington that had previously completed their requirements in the GBIP. He provided a predicted sense of how the financial incentives could range from a smaller size building to a larger building. He also showed Gantt charts of each pathway and the predicted timing of when the payments would happen. He concluded by discussing the conversion or adaptive reuse for market rate housing and affordable housing. He mentioned that they had two scenarios for each and would decide upon one at a later date.

Paul Roman continued his presentation by discussing the timeline for affordable housing under adaptive reuse, which was similar to market rate, but with a higher financial incentive for affordable rate housing. He provided background on how many projects had opted into the GBIP since the 2020 update and the level of bonus density achieved. He noted that the majority of GBIP participants were at the two lower levels of bonus density, indicating that bonus density was declining as a persuasive incentive.

He then shifted focus to the question of why they should incentivize conversion or adaptive reuse projects from office to housing. He listed benefits such as less vacancy, more social and economic street life, shorter construction processes, flexibility and creativity within the

design and construction, less disruption to the natural environment, and historic and cultural preservation. The biggest impact of adaptive reuse was the reduction of embodied carbon, which makes up 30% of the total emissions from the building sector on a global scale. Paul then discussed the climate adaptation pathway for new construction using the PHIUS 0 certification and the green infrastructure requirements. He reiterated what the PHIUS standard entailed for the 0 certification, highlighting no on-site combustion and a requirement for renewable energy to be equal or greater than the modeled energy use of the building. He also discussed the incremental costs of PHIUS compared to LEED, noting that the cost for PHIUS was higher, but when considering the environmental benefit, occupant health benefit, and the project's operational energy savings, they believed there would be interest in pursuing a more stringent standard. He concluded by reiterating the energy efficiency and GHG by range over percentages over Virginia energy code.

Paul Roman reviewed the ENERGY STAR benchmarking data for the seven multifamily buildings under the Green Building Incentive Program in Arlington. He showed that the data for these buildings represented a 32% improvement compared to the national median for multifamily Energy Use Intensity (EUI). After his review, he handed the presentation back to Demetra for the next steps. Demetra McBride discussed the crossroads they found themselves at, where they could either continue as they had been and just look to increase the LEED requirements, or they could respond to current priorities like equity, affordable housing, and the Commercial Market Resiliency Initiative. She mentioned that this might not be a proposal for a fixed program over the next 20 years, but it could respond to some current exigencies or priorities. She also mentioned their engagement plan, which was a fluid plan that expected different configurations and repeated discussions with certain stakeholders. They had already had an initial overview presentation with CPHD.

Scott Sklar praised the proposal, calling it excellent and visionary. He appreciated the divergences from LEED and the focus on existing buildings. He thought this could deal with some of the issues of just knocking down buildings, which deals with a lot of the civic association issues. Cindy was also impressed with the scope, excitement, and the whole approach of the proposal. She mentioned that if they focused on all these things, they might lose some of the things that had been important in other areas, such as bird friendly glass. She asked if they would offer anything for biophilia class as part of their proposal, as it seemed like it was not part of the PHIUS.

Paul explained that in the climate adaptation pathway, they were proposing green infrastructure requirements along with the PHIUS certification. This would include accessible vegetated roofs, vertical or canopy walls, vegetated areas equal to or greater than 30% of the lot area, using regional native plants for at least 95% of the site vegetation, tree canopy coverage for a percentage of the lot area, on-site management for stormwater, bird-friendly glass, and incorporating the International Dark Sky Association's 5 principles for outdoor lighting. When asked about the requirement for electrification and elimination, Demetra explained that they hadn't gotten to that level yet. She mentioned that it was a conversation they needed to have, especially with existing buildings and adaptive reuse. She noted that they did

not build in an absolute ban and necessity for full electrification as part of all of the site plans that would be coming under every single under the existing building and adaptive reuse.

Victoria explained that they wanted to work out the definition of major renovations with public comment. She mentioned that some jurisdictions define major renovations by value, others by square footage, and others by a blended version. She expressed interest in hearing suggestions. Someone expressed a desire to see a focus on preserving the building and adding on to it or improving what's there and wanted to ensure that they were not incentivizing practices where only a few walls are kept up and a brand new building is put up, emphasizing the importance of preserving all the carbon in the prior construction.

Demetra McBride agreed and asked for feedback on what the commissioners would like to know more about when the team comes back for the next meeting. She also asked for their thoughts on the educational curriculum. Doug expressed his support for their overall goal of reducing greenhouse gas emissions in Arlington County and appreciated their focus on existing buildings. He asked for clarification on whether the pilot program was optional and whether developers could go with the existing program and just pay extra money for a bonus into the Affordable Housing Fund. Demetra acknowledged his question and apologized if their presentation was confusing. Demetra McBride clarified that when they referred to a five-year pilot, they intended for this to be the program that would move forward. She explained that they were planning to roll it out for five years to see if it worked as well as they thought it would. She mentioned that they would be reporting on progress on an annual basis.

Joan suggested that it might be more of a sunset rather than a pilot. Demetra agreed with this point. Joan also asked about potential caps on the program, to which Demetra explained that they had put that in because governments dislike risk and being loose with money. She mentioned that they were still figuring out the details of the cap and the funding. Joan then asked about the incentives in the IRA and how that could be built into the training or education engagement for developers and owners. Demetra agreed that this was a great point and mentioned that they were trying to make that an even bigger part of the program. Joan also asked about the procedural aspects of the program. Demetra explained that Victoria Kiechel had done a red line of the existing program and ordinance and what it would be if this were adopted. She mentioned that they were going to move forward with public engagement and that the county manager and the board were very interested to see what the reaction would be among the stakeholders and the public.

Joan asked if the red line was something they preferred to keep in-house for now. Demetra said that they were comfortable sharing it with the Energy Committee and C2E2 and anyone else who asked for it. Finally, Joan asked about the manpower requirements to make the program work. She suggested that it seemed like more of an educational outreach to building owners and developers to help them figure out where to get the information and expertise they needed to make the change away from their business as usual. Demetra McBride expressed her hope to make the educational curriculum official and comprehensive, aiming to saturate the market and stimulate interest in existing buildings. She mentioned that the cost premium of PHIUS would democratize over time and that they were hoping to stimulate some real thinking about existing buildings.

Joan suggested that the starting point was just pointing developers and building owners to the right people to provide them with the advice they needed. She also mentioned the potential of a green bank and other ways of spending to ensure there's an easy pathway for building owners and developers. Scott Sklar added that the proposal may fit neatly with what some of the bigger Arlington civic associations were working on. He mentioned that they had been meeting with large nonprofit investment companies for residential properties to sustain old structures and focus on targeted buyers. Demetra McBride agreed and mentioned that when they presented it to CPHD, the historical preservation people were very excited by it. She also mentioned that they were trying to make the educational curriculum an even bigger part of the program.

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Finally, Joan asked about the manpower requirements to make the program work. She suggested that it seemed like more of an educational outreach to building owners and developers to help them figure out where to get the information and expertise they needed to make the change away from their business as usual. Demetra agreed and mentioned that they were trying to make that an even bigger part of the program. She also mentioned that they were hoping to stimulate some real thinking about existing buildings. She concluded by saying that they were looking forward to continuing the conversation and would send them the red line material. Joan also asked for any background materials that would help them understand and put the whole thing together. She asked for their thoughts on how they were revising the existing program so they could get a comparison to what it is now and where the baseline GBIP might look like as an option for developers.

Review and Approval of the FY25 Budget Letter

The Commission did not have a quorum so could not officially vote but those attending supported the letter. They noted that their next meeting would be before the county board meeting, so they could officially get a letter out then. They discussed the need for transparency and having a good sense of how the county was going to achieve carbon neutrality for their own operations. They also discussed the need for a clear plan for reducing miles traveled. They discussed the importance of getting the word out that climate change is real and based on fossil fuels. They talked about the need for a sound bite about what the county had been doing on EV charging and EV charging stations. They discussed the difficulty in getting clear information from the county about how much money they were spending on EV chargers and how many they were installing.

They discussed the Climate Action Fund and the use of it to supplement costs for upgrading buildings. They talked about the need for a funding line and a clear plan for installing EV chargers. They discussed the need for more descriptive information about the county's plans and what they were getting out of their projects. They also discussed the role of the chief equity

officer and the importance of looking across the county government at what they were doing in terms of equity and inclusion. They concluded the discussion by agreeing to send out the recording of the meeting and encouraging everyone to look through the slides and come up with questions and ideas for the next meeting.

The members present in the room discussed the importance of equity goals in relation to climate goals. They noted that while there are many inequities in society, climate change is a separate issue that could wipe out the human species if not addressed. They discussed the benefits of making buildings more energy efficient and making transportation more available for everyone, especially those with lower incomes. They also discussed the urban Heat Island Act and tree canopy coverage, which they noted as an equity issue. They discussed the role of the Chief Equity Officer in the county and the importance of having someone at that level working on issues that overlap considerably. They discussed the possibility of additional federal funding if equity goals were worked hand in hand with climate change goals.

They concluded the discussion by agreeing to express support for the letter and to continue the discussion at their next meeting. They also agreed to send out the recording of the meeting and encouraged everyone to look through the slides and come up with questions and topics for discussion on the proposed update to the GBIP for the next meeting. They also discussed the possibility of testifying at the County Board meeting on April 2nd. They agreed that it was important to highlight the role of the Chief Equity Officer and the possibility of additional federal funding.

The members present in the room discussed the importance of advancing key principles and what Arlington can do to help. They talked about outreach programs and how to encourage and help shift the infrastructure so that it can be easier for people. They discussed the possibility of adding more people to AIRE staff and how they would best be used. They also discussed the importance of considering the ecological value of existing old trees in a stormwater project. They noted that some projects are considered well-suited for certain areas because they have no built infrastructure on them, essentially meaning they have no value and should be used for a project. They discussed the need for a mechanism to consider these factors. They also mentioned the possibility of someone in Demetra's staff being involved in this process.

Commissioners discussed the importance of integrating natural resources and placing value on existing things. They talked about the need for a climate action plan that indicates a direction towards addressing significant climate implications. They discussed the need for a formal mechanism for bringing collective attention to these issues. They also discussed the importance of reducing greenhouse gas emissions and how to start moving in that direction immediately. They talked about the need for outreach and public information. They also discussed the importance of envisioning 2050 and the potential consequences of not taking immediate actions. They concluded the discussion by expressing the need to bring the whole community along in their efforts to address climate change.

Brainstorming on Arlington Visioning Initiative and Climate Action Planning

The members discussed the DHS VHC project, which involves a piece of property adjacent to Glencarlyn Park. This property was part of an exchange deal with Virginia Hospital Center, and there are plans to put a mental health facility there. There were questions about some of the individual parcels that are part of that property. Some parks folks proposed to take over a piece of the property that's adjacent to the park for better maintenance. There has been difficulty getting clear indications from the parties, especially from the countryside, about their intentions and the schedule for making decisions. The Virginia Hospital Center has been cooperative in terms of meeting with people and being willing to consider a variety of uses for the property.

The discussion is ongoing, with strong community involvement, including the Parks and Rec and Forestry and Natural Resources Commissions and local civic associations. There is a historic site and a spring on the property that has been neglected and could potentially be used as a featured site for the mental health facility. The members also discussed the possibility of encouraging biophilic design there because of its known benefits for mental health. They expressed concerns about the design and building process and its potential impact on stormwater. They also discussed the sustainability elements of getting to net zero energy, which is a bigger challenge for hospitals due to the demands they have. They raised the issue of the project potentially being fast-tracked once it hits the SPRC process. They also discussed a previous envisioning project for that site conducted by the county six or seven years ago, which had public buy-in to preserve the back part of the site where the trees and spring are as parkland. They expressed hope that this would continue.

Updates

A new member, Joe Trivette, introduced himself. He has been in Arlington for three years and works in climate impact and mortgage finance. He is passionate about environmental topics and is excited to contribute. The meeting concluded with the members looking forward to serving and speaking at the County Board later.

Next meeting: April 15 – hybrid.