

# MEMORANDUM

July 20, 2010

**TO:** Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator

Vernon Gerth, Assistant City Administrator

Catherine Powers, Director of Planning and Sustainability

Andrew Orr, Sustainability/Grants Coordinator

**SUBJECT:** Resolution Adopting LEED Silver for New Municipal Projects

#### **Purpose**

The purpose of this memo is to provide information to the Board of Mayor and Aldermen (BOMA) regarding a policy for new municipal construction and renovation projects to achieve LEED Silver Certification. The resolution provides the Board of Mayor and Aldermen the discretion to decide if a project would not be suitable for LEED Silver Certification. Staff believes this resolution complies with the spirit of the Sustainability Commission's recommendation while addressing realistic concerns.

#### **Background**

LEED, the "Leadership in Energy and Environmental Design" Green Building Rating System, is the nationally accepted standard for designing, constructing, and certifying sustainable buildings. LEED covers many different types of buildings and was created to establish a standard of measurement for energy efficient and environmentally principled projects. The LEED rating system encourages the design and construction of buildings achieve higher levels of sustainability than currently practiced. As a result, LEED has served as a primary instrument for sustainability and also has raised awareness for the need of lower impact buildings, since its inception.

Sustainable Building practices should be realized as part of a continuum of sustainable development. LEED Certified buildings serve as a component in the greater sustainability equation. Both the Sustainable Community Action Plan and the Municipal Services Action Plan call for the City of Franklin to pursue LEED Certification for new municipal building projects. Many communities throughout the country and internationally have approved similar municipal policies for LEED Certification.

As of June 2010, Franklin does not have any LEED *Certified* buildings, but eighteen buildings are LEED *Registered* with the USGBC, meaning that certification is in process but not finalized.

The Sustainability Commission debated the merits of constructing and renovating buildings to a LEED standard but foregoing the certification and commissioning process. After a thorough discussion, the Sustainability Commission unanimously decided certification and commissioning was a meaningful and worthwhile investment for several reasons including accountability, the need for third party verification because the City does not have the ability to assure the structure meets LEED standards, the fact that the





City will own and operate facilities forever, and the positive message LEED signifies in that it is nationally recognized. The cost to certify will quickly be absorbed.

## **Financial Impact**

The true cost of designing, constructing, and certifying a LEED building varies, depending on the level of certification sought, the type and size of the project, the green initiatives selected, and the methodology used to formulate the estimate. The consensus derived from reputable reports written by Peter Kats in 2003 and Davis Langdon in 2007 suggest if sustainability goals, strategies, and budgets are established from the very beginning of the process, cost premiums for achieving LEED Silver will approximately range from 0% to 3% of the total project cost.

The economic payback of LEED Certification similarly depends upon several factors. Several reports cite the median estimated payback period to be seven years for LEED Certification. The City can expect to realize savings in maintenance and operation costs throughout the life cycle of the building.

Pursuing LEED Certification provides human and natural capital benefits which can result in worker productivity, improvements to the land, and a heightened awareness of new technologies and sustainability issues for the entire community.

## Recommendation

Approval of the proposed LEED standard for City construction projects in excess of 5,000 square feet is recommended.

#### **RESOLUTION 2010-30**

# A RESOLUTION TO ESTABLISH A SUSTAINABLE BUILDING POLICY FOR CITY OF FRANKLIN MUNICIPAL BUILDINGS.

WHEREAS, it is a goal of this community to become a leader in sustainability through the implementation of the actions articulated in the Sustainable Community Action Plan and Municipal Services Action Plan, which The Board of Mayor and Alderman endorsed in 2009; and

WHEREAS, Urban Design Action 1 of the Sustainable Community Action Plan states the City shall construct only "LEED certified buildings for any new Municipal Building Project" and the Municipal Action Plan calls for the City to pursue LEED requirements for "all new construction of City buildings"; and

WHEREAS, the Franklin Tomorrow Growth and Development Task Force identified highperformance, sustainable, energy-efficient building practices, commonly known as "Green Building" practices, as being desirable for the citizens of Franklin and the environment in a 2006 report titled Green Building: Sustainable, Energy Efficient Building Practices; and

WHEREAS, Leadership in Energy and Environmental Design (LEED) was developed by the *United States Green Building Council (USGBC)* to establish a standard for measurement and a design guideline to raise awareness and to establish a recognizable national brand; and

WHEREAS, the Sustainability Commission recommends the City to lead by example by requiring the construction of LEED Certified buildings for municipal building projects; and

WHEREAS, LEED Silver Certification is recognized to provide significant energy savings.

**NOW, THEREFORE, BE IT RESOLVED** BY THE BOARD OF MAYOR AND ALDERMEN FOR THE CITY OF FRANKLIN, TENNESSEE that the City of Franklin shall pursue the LEED Silver Certification or higher of all new or renovated municipal buildings in excess of 5,000 square feet with an emphasis on recycling construction materials and energy and water efficiency. However, if the Board of Mayor and Aldermen after reviewing the cost/benefit analysis or identifying other practical difficulties, determine a LEED Silver designation is not in the best interest of the City, the Board of Mayor and Aldermen may forego LEED Certification and seek to incorporate the highest level of green building best practices as appropriate.

Approved this day of	<u>,</u> 20
ATTEST:	CITY OF FRANKLIN, TENNESSEE
BY:	BY:
ERIC S. STUCKEY	JOHN C. SCHROER
City Recorder/Administrator	Mayor
Approved as to form by:	
Kristen L. Corn. Staff Attorney	_