

**DATE: July 30, 2013**

**STAFF: Bruce Hendee, Josh Birks  
Tom Leeson**

*Pre-taped staff presentation: available  
at [fcgov.com/clerk/agendas.php](http://fcgov.com/clerk/agendas.php)*

**WORK SESSION ITEM  
FORT COLLINS  
URBAN RENEWAL AUTHORITY**

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**SUBJECT FOR DISCUSSION**

Urban Renewal Policies Relating to Energy Efficiency Requirements and Recycling/Reuse of Demolition and Construction Waste Materials.

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**EXECUTIVE SUMMARY**

Consideration of the March 27, 2013 Urban Renewal Authority (URA) Board resolution to require URA funded projects to participate in the EPA's Energy Star program, as well as construction/demolition waste diversion thresholds, was continued to allow for greater public outreach and discourse with interested parties. Subsequent to the March URA Board meeting, staff set up a working group of community members and industry professionals to provide feedback on the proposed changes. The group supported the required participation in the Energy Star program; however, the group recommended the punitive aspect of withholding funds if the project does not meet the required score be removed. The working group also supported the required waste diversion from construction and/or demolition but suggested an allowance for "As-Built Surveys" to be submitted as evidence of non-compliance, require third-party verification, and to remove the punitive aspect of the policy.

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**GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED**

1. Is there support for moving forward with a resolution to amend the evaluation criteria for URA funded projects to require participation in the EPA's Energy Star program, as well as construction/demolition waste diversion thresholds?
2. If there is support for the policy change, does the URA Board support the working group's recommendations?

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**BACKGROUND / DISCUSSION**

On March 27, 2013 the URA Board reviewed a resolution to amend the evaluation criteria for URA funded projects to require participation in the EPA's Energy Star program and the Target Finder system to set energy targets for new buildings and major renovations. Additionally, the resolution would have required URA funded projects to demonstrate that at least 50% of the waste materials by weight (excluding wastes containing lead, asbestos or other hazardous material) generated by a construction or demolition project be diverted from the landfill through waste management options, such as reuse or recycling (**Attachment 1**). While there was some discussion and questions regarding the content of the resolution, much of the discussion was about public outreach. The Board ultimately continued the item to allow for greater public outreach and discourse with interested parties.

Subsequent to the March URA Board meeting, staff set up a working group of community members and industry professionals to provide feedback on the proposed changes (**Attachment 2**). The group met on three occasions and provided their perspective and some recommendations on the proposed policy changes (**Attachment 3**).

In addition to the public outreach, the continuation allowed staff to evaluate existing City buildings, as well as a previous URA project with regards to the Energy Star rating (**See Attachments 4 and 5 for the Energy Star Ratings**).

### **Energy Efficiency Requirements**

The URA working group's discussion about the EPA's Energy Star program as it relates to URA projects predominately centered on three main topics: the potential increase in costs associated with the program, the difficulty in monitoring projects that property owners don't fully control; and, the uncertainty of receiving TIF reimbursement a year after project completion.

In terms of additional costs, it was demonstrated that buildings designed to meet the Energy Star rating typically do not cost more. This is because the Energy Star scoring systems compares proposed buildings to a national survey of buildings conducted in 2003. Most buildings are required to meet energy codes newer than 2003, so in most cases proposed buildings compare favorably. As a result, experience shows that meeting Energy Star does not increase construction costs. The power in the program is getting designers and developers to consider energy use during the design phase so adjustments can be made, as well as the 12-month monitoring period, which provides important feedback about the building operation and user behavior.

The second and third topic discussions, while distinct, were related as they both dealt with the requirement to monitor energy use for a year after completion in order to meet the Energy Star designation. The proposed policy requires that, in addition to designing a building to meet the Energy Star label, the energy use shall be monitored for 12 consecutive months after completion to demonstrate the operating building earns an EPA rating of 75 or higher. The concern was two-fold: in cases where property owners/developers lease tenant spaces, they don't always have control over energy use, so the prospect of having funding withheld at the end of 12-months was a significant concern; and secondly, the potential of having funding withheld if the building does not meet the Energy Star rating significantly complicates project financing and makes a relatively uncertain process even more uncertain.

After much discussion, the group supported the Energy Star program, as well as the requirement to monitor buildings for 12-consecutive months; however, the group recommended that the punitive aspect of withholding funds if the project does not meet the required score be removed. In general, the group felt the policy would be better received and more successful if it was not complicated by the added uncertainty of withholding funds. However, the energy efficiency requirement would be included within the project's redevelopment agreement and the URA could enforce compliance without withholding funds.

## Deconstruction/Construction Waste Recycling Requirements

The URA working group's discussion about the deconstruction/construction waste recycling requirements as it relates to URA projects predominately centered on three main topics: the one-size fits all nature of the policy; the difficulty with monitoring compliance; and the punitive aspect of the policy. With regards to the one-size fits all aspect of the policy, there was concern raised that certain projects may or may not be able to meet the 50% threshold due to construction type or other characteristics, but the policy, as written, does not allow for any deviation regardless of circumstance. It was suggested the policy include a provision that allows an "As-Built Survey" to be submitted if a property owner feels the diversion threshold could not be reached; however, the project would need to meet whatever the survey indicated was feasible. An "As-Built" survey would estimate the amount of different materials within a building and estimate the amount of the materials that could be recycled. An "As-Built Survey" could be conducted by any competent architect, engineer, or construction manager, or by such organizations as the Institute for the Built Environment, National Center for Craftsmanship, or the non-profit Waste-Not. Anyone conducting an "As-built Survey" would need to be pre-approved by the City/URA and have no connection with the proposed project.

With regards to monitoring compliance, the group discussed the difficulty of actually verifying diversion rates. The numbers associated with construction waste loads can easily be manipulated, and diversion by weight needs to be verified by a third-party. Without third-party verification, the program may not actually achieve the goals intended. While the mechanics would still need to be figured out, if third-party verification is required, the developer/property owner would be required to contract with a URA approved "vendor" who would then provide verification to the URA.

Finally, similar to the Energy Star program, the group had concerns with the punitive nature of the recycling policy. The potential of having funding withheld if the project does not meet the diversion threshold complicates project financing and makes a relatively uncertain process even more uncertain. The group recommended any punitive aspect of the policy be removed.

## ATTACHMENTS

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1. March 27, 2013 URA Board Meeting Minutes
2. URA Working Group Member List
3. URA Working Group Meeting Notes
4. City Buildings – Energy Star Rating
5. Valley Steel Energy Star Rating
6. Natural Resources Advisory Board Recommendation
7. Air Quality Advisory Board Recommendation
8. Powerpoint presentation

**Resolution No. 053**  
**Adopting Revised Policies and Procedures for the**  
**Urban Renewal Authority, Postponed Indefinitely**

The following is the staff memorandum for this item.

***“EXECUTIVE SUMMARY***

*As a follow up to the February 28, 2013 URA Board work session, this Resolution amends the adopted 2012 URA Policies and Procedures. As an alternative to required participation in IDAP, the amended Policies require participation in the EPA’s Energy Star program and the Target Finder system to set energy targets for new buildings and major renovations. Additionally, in an effort to meet the City of Fort Collins established goal of diverting 50% of the community waste from landfills, the amended Policies also requires URA funded projects to demonstrate that at least 50% of the waste materials by weight (excluding waste containing lead, asbestos or other hazardous material) generated by a construction or demolition project be diverted from the landfill through waste management options, such as reuse or recycling. The Resolution also delegates the authority to approve Administrative Procedures with the Executive Director, and includes some minor language changes for clarification purposes.*

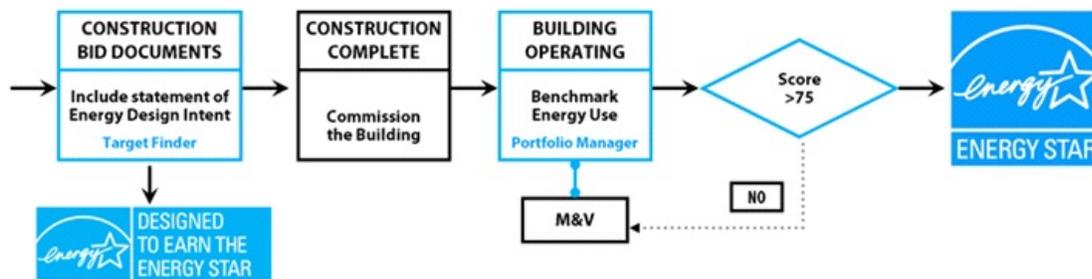
***BACKGROUND / DISCUSSION***

***Energy Efficiency Requirements***

*During the October 23, 2012 URA Board meeting, it was recommended that URA projects be required to participate in the Fort Collins Utilities Integrated Design Assistance Program (IDAP) as an alternative to requiring buildings to meet a LEED certification. Since that time, City Utilities has moved forward to redesign IDAP as a performance-based program in alignment with the Architecture 2030 Challenge, a program with a path to carbon neutral buildings by 2030. The new IDAP will require a significant commitment from property owners in terms of monitoring and program compliance and would be very difficult to achieve without willing property owners that are dedicated to the outcome.*

*As an alternative to required participation in IDAP, it is recommended the Board consider requiring participation in the EPA’s Energy Star program and the Target Finder system to set energy targets for new buildings and major renovations (more than 50% of square footage affected). The Target Finder is an online tool that enables architects and building owners to set energy targets and receive an EPA energy performance score for projects during the design process (See Attachment 3 for program details). The program utilizes energy use targets based on actual building energy consumption data for more than a dozen building types. EPA’s Energy Star energy performance scale assigns a score between 1 and 100 for the corresponding energy use intensity for the specified project. Projects that earn a score of 75 or higher are eligible for Designed to Earn the Energy Star certification. A score of 75 means the building performs 35 percent better than typical, comparable buildings and represents the top 25 percent of existing buildings. The Target Finder is a comprehensive look at a building’s potential energy use as it takes into account building size, climate, operating hours, number of occupants, computer use, and occupant behavior.*

As a policy decision, the Board could choose to require URA projects that include new buildings, or major renovations to meet the Designed to Earn the Energy Star certification. While this requirement would be a major step in bringing energy use and efficiency to the forefront during the design phase, this level of participation does not require that new buildings actually perform at the designed target levels. The Board could choose to require that new buildings achieve the Energy Star label. Closing the loop between the design's intended energy use and the building's actual performance requires the commitment of the owner to earn the Energy Star label after the project is built and operating. An operating building that earns an EPA rating of 75 or higher for 12 consecutive months of energy bills and receives verification by a professional engineer or registered architect that the building meets indoor environmental standards qualifies to earn the Energy Star label. This step solidifies that the design intent has been translated into the building's actual performance. The following flow chart demonstrates the necessary process to obtain Design to Earn Energy Star versus obtaining and Energy Star label.



Source: EnergyStar.gov

It is recommended that URA projects that do not include new construction or major renovations (more than 50% of square footage affected) meet the current energy code, except for the building envelope requirements, which could be cost prohibitive. It is also recommended that energy use be monitored through the Energy Star program but not require any target energy performance level. The current code requires energy assessments prior to building alterations with valuations of \$30,000 or greater, and requiring energy performance to be monitored will go a long way in bringing awareness of energy use and efficiencies to building owners.

It should be noted that requiring new buildings and major renovations to achieve an Energy Star label will add cost to the design phase of a project. The design phase is considered a soft cost and represents a small percentage of overall project costs. Given the requirements in current building codes, meeting Energy Star label should not add any additional costs to overall hard costs. The advantage of the program is that it is focused on ensuring building systems are designed correctly and appropriately for the intended users, that system commissioning is carried out (currently a code requirement) and that monitoring take place over an extended period of time.

Based on the discussion above, staff is recommending the following URA Policy:

All URA projects that include new construction or major renovations of existing buildings (more than 50% of square footage affected) shall be required to meet the Energy Star label. Such projects shall be required to design buildings in such a manner as to be eligible for Designed to Earn the Energy Star (DEES) certification. Once buildings are completed, the energy use shall be monitored for 12 consecutive months to demonstrate the operating building earns an EPA rating of 75 or higher

*in Portfolio Manager and verification shall be received by a professional engineer or registered architect that the building meets indoor environmental standards and qualifies to earn the Energy Star label.*

*Additionally, all URA projects that include renovations that affect less than 50% of existing square footage shall be required to meet the current energy code, except for the building envelope requirements, and energy use shall be monitored through the Energy Star program for 12-consecutive months in an effort to raise energy use awareness.*

### ***Deconstruction/Construction Waste Recycling Requirements***

*With the adoption of the green building amendments, all new construction is required to submit a construction waste recycling plan with the intent of diverting construction waste from the landfill. The program focuses on the materials in which the City has capacity to receive, which includes wood, metal, concrete, and cardboard. The current program does not apply to alterations.*

*The requirement for a construction waste recycling plan addresses the waste material generated during the construction process, but does not address materials associated with the demolition of existing structures. As articulated in both City Plan and the Fort Collins Climate Action Plan, the City of Fort Collins established a goal to divert 50% of the community waste from landfills. As redevelopment occurs through the City of Fort Collins, a significant amount of material from demolished structures can be diverted from the landfills by ensuring structures are deconstructed, as opposed to demolished.*

*Deconstruction is the process of systematically dismantling a structure in an environmentally, economically and socially responsible manner, aiming to maximize the recovery of materials for reuse and recycling. Deconstruction is commonly separated into two categories; "non-structural" and "structural". Non-structural deconstruction, also known as "soft-stripping", consists of reclaiming non-structural components including appliances, doors, windows, and finish or trim materials. Structural deconstruction involves dismantling the structural components of a building; removing the entire building down to or including the foundation.*

*Deconstruction, as a process, is more time consuming than standard demolition, and is generally more expensive. However, many of the additional costs associated with deconstruction can be reduced when taking into account reduced disposal costs, avoided purchases of new materials (if materials are re-used on site), revenue earned from material sales and potential tax incentives. Tax benefits can be obtained when materials are donated to a 501(c)(3), such as ReSource Fort Collins.*

*Therefore, staff is recommending that all URA funded projects demonstrate that at least 50% of the waste materials by weight (excluding waste containing lead, asbestos or other hazardous material) generated by a construction or demolition project be diverted from the landfill through waste management options, such as reuse or recycling.*

### ***Approval Process of Administrative Procedures***

*The URA Administrative Procedures, which were most recently revised in October, 2012, have historically been approved by a URA Board Resolution. The Administrative Procedures were*

*adopted as part of the Policies and Procedures, yet they serve a very different purpose. The Administrative Procedures are intended to provide both minimum procedural requirements for URA applicants and an operating framework for staff to implement the Policy and Procedures established by the URA Board.*

*In an effort to allow staff the ability and flexibility to respond quickly to issues that arise when implementing the URA Policies, it is recommended that the Board delegate the authority to approve Administrative Procedures to the Executive Director. Any revisions to the Administrative Procedures will be presented to the URA Board.*

### **October 2012 URA Board Recommended Amendments**

*During the October 23, 2012 URA Board meeting in which the Policy and Procedures were adopted, the Board requested staff to look at several sections and recommend possible language changes. The amendments, which are included within the attached redlined version of the policies, address the following policy sections:*

#### *Section 2- Objectives*

- *Presence of Floodplain language*

#### *Section 4 – Evaluation Criteria*

- *Financial Feasibility of Projects language*

#### *Section 4 – Public Benefit*

- *Affordable Housing as Public Benefit language.*

### **FINANCIAL / ECONOMIC IMPACTS**

*The requirement for participation in the Energy Star program, as well as the required deconstruction/recycling of waste material may result in some additional costs to URA projects. While the additional costs may be eligible for reimbursement by tax increment financing, the additional costs could impact the financial feasibility of certain projects. Tax increment financing represents gap financing, meaning financing that covers the gap between a financially feasible project and non-financially feasible project. When Code requirements add costs to a project, in essence the gap becomes larger. This becomes a policy decision related to trade-offs for URA financing. As more of the tax increment is necessary to offset costs associated with Code requirements, less of the increment will be available for other improvements, such as required public infrastructure, that also contribute to the gap.*

### **ENVIRONMENTAL IMPACTS**

*Ultimately, the benefit will be positive to the environment as each project will increase the level of quality and sustainability of all publicly funded URA projects. Benefits will include reduced energy use, increased diversion from the landfill and subsequently a lower carbon impact.*

### **PUBLIC OUTREACH**

*Given the relatively short period of time between the February work session and the Resolution adoption date, there has been less public outreach than is typical of similar policy changes. The following outreach effort have been made:*

- *URA Board Worksession - February 28 (Attachment 4)*
- *Presentation to the Fort Collins Area Chamber of Commerce Local Legislative Affairs Committee – March 22*
- *Presentation to the Air Quality Advisory Board - March 18*
- *Agenda Item Summary provided to the Natural Resources Advisory Board and the Energy Board*
- *Copies of proposed amendments sent to the North Fort Collins Business Association and the South Fort Collins Business Association. “*

Bruce Hendee, Chief Sustainability Officer, introduced the item as the next step in the development of URA policies and procedures.

Tom Leeson, Redevelopment Program Manager, stated staff has arrived at the green building recommendation for URA projects to fall under the guidelines of the Environmental Protection Agency’s Energy Star program, and its associated target finder system. He detailed the requirements for the program. Leeson stated the second aspect of the Resolution looks at deconstruction and recycling requirements for URA projects and establishes a threshold for landfill diversion.

Hendee reviewed the positive components of the Energy Star program and stated there are some boards and commissions which have not yet been able to give a recommendation on this item.

Ross Cunniff, 2267 Clydesdale, commended the environmental accountability found in the plan and requested the maximum public benefit from URA projects. He questioned the urgency of the need for this change.

Ray Martinez, 4121 Stoneridge Court, questioned the urgency of the need for this change and suggested a more thorough public outreach process be completed prior to adoption of new policies.

Eric Sutherland, 3520 Golden Currant, supported the changes to the policies and went on to discuss his perceived problems with the URA and its existing policies and procedures.

Luke McFetridge, South Fort Collins Business Association President, encouraged additional public outreach be completed prior to adoption of new policies.

Ron Lautzenheiser, North and South Fort Collins Business Association, suggested adoption of new policies should be slowed down and further vetted.

Chair Weitkumat asked if deconstruction is impossible on some buildings. Leeson replied some buildings may have too many hazardous materials to achieve an effective deconstruction; however, deconstruction is generally an option.

Boardmember Troxell asked if these items would apply to entire projects, despite the fact that the TIF funding may be going to infrastructure such as streets. Leeson replied the policies are currently written to apply to entire projects.

Boardmember Troxell asked if these requirements would be a part of the scorecard for projects. Leeson replied it would technically be, as it would be included within the evaluation criteria.

Boardmember Troxell suggested additional feedback should be sought, though he commended the track the policies are on.

Mayor Weitkunat asked if exceptions were considered, particularly in cases where the TIF funding is going to public improvements rather than the project per se. Leeson replied there has not been discussion about that; however, that is certainly up for discussion.

Vice-Chair Ohlson noted new construction projects would only be subject to the energy component. Leeson replied the recycling policies also apply to construction waste in addition to demolition.

Boardmember Troxell made a motion, seconded by Boardmember Kottwitz, to continue the item to a later date pending additional public outreach and testing against existing projects.

Vice-Chair Ohlson disagreed that this has been a rushed process and stated the policies have been considerably weakened. He opposed the City's overall view of public outreach in terms of outreach to business interests versus outreach to environmental interests. He stated the process should be more consistent.

City Manager Atteberry stated he believed the public outreach process included many differing viewpoints; however, he noted he is committed to work further on the process with the new Council.

Boardmember Manvel noted the mission of the URA involves sustainable development, and this is a small step toward that end. He stated the issue deserves a vote rather than postponement.

Boardmember Poppaw stated she would not support the motion to postpone.

Boardmember Kottwitz supported postponement of the item and stated the URA has worked hard at improving outreach. She expressed appreciation for staff work on the item.

Boardmember Horak stated public outreach has been inconsistent as it is not a documented, systematic process; however, staff is working on development of such a process. He stated he would support the motion to postpone the item, but hoped it would ultimately pass with the new Council.

Chair Weitkunat stated it is important to get the policies and direction of the URA right moving forward.

Boardmember Horak asked about the date for taking up the issue again. City Manager replied staff has considered May 21 as a possible date.

The vote on the motion to postpone consideration was as follows: Yeas: Weitkunat, Kottwitz, Horak and Troxell. Nays: Ohlson, Poppaw, and Manvel.

THE MOTION CARRIED.

*URA Policy Working Group Members*

<b>Name</b>	<b>Organization</b>	<b>Phone</b>	<b>Email</b>
<i>Luke McFetridge</i>	<i>South FC Business Association</i>		
<i>Jim Eddy</i>	<i>North FC Business Association</i>		
<i>Ann Hutchinson</i>	<i>FC Area Chamber</i>		
<i>Anita Comer</i>	<i>Waste Not Recycling</i>		
<i>Dave Derbes</i>	<i>Brinkman Partners</i>		
<i>Cara Blake</i>	<i>Fort Collins Sustainability Group</i>		
<i>Neil Kaufman</i>	<i>National Center for Craftsmanship</i>		
<i>Matt Arabasz</i>	<i>RB+B Architects</i>		
<b><i>City of Fort Collins Staff</i></b>			
<i>Tom Leeson</i>	<i>Redevelopment Manager</i>	<i>970.416.2231</i>	<a href="mailto:tleeon@fcgov.com"><i>tleeon@fcgov.com</i></a>
<i>Bruce Hendee</i>	<i>Chief Sustainability Officer</i>	<i>970-416-2332</i>	<a href="mailto:bhendee@fcgov.com"><i>bhendee@fcgov.com</i></a>
<i>Mike Gerbo</i>	<i>Chief Building Official</i>	<i>970-416-2618</i>	<a href="mailto:mgerbo@fcgov.com"><i>mgerbo@fcgov.com</i></a>
<i>Gary Schroeder</i>	<i>Sr. Energy Services Engineer</i>	<i>970-221-6395</i>	<a href="mailto:gschroeder@fcgov.com"><i>gschroeder@fcgov.com</i></a>
<i>Stu Reeve</i>	<i>Building Energy Manager</i>	<i>970-221-6274</i>	<a href="mailto:sreeve@fcgov.com"><i>sreeve@fcgov.com</i></a>

**URA Policies Working Group**  
Commons Conference Rm., City Hall  
April 17, 2013  
12:00-1:30 PM

Meeting Notes:

Energy Star Discussion:

- The building community has been able to quantify the impact of the green building code amendments at roughly \$5/sf. The impact of Energy Star is unknown – need to try to determine the impact.
- Need to try to benchmark existing buildings to determine how they would meet E-Star. This can be done relatively easy for City owned buildings – will look at trying to see how projects that have been approved through the URA previously would score.
- New buildings probably meet E-Star easily because of the new code requirements; however, small renovations might be more difficult. Should the policy differentiate between new and renovations so the smaller projects are not overly burdened?
- Need to recognize that there's a difference between ownership and tenants in terms of monitoring. An owner with numerous tenants has less control over how a building/tenant space is utilized in terms of energy use.
- There's a difference in product type as well. Multi-family products operate very differently than retail. E-Star compares like products/building types, so product type has less impact on rating/score than one would think.
- E-Star does not add too much cost. The power of the program is that it forces owners/designers to consider energy use early in the design stage. It is a relatively simple process (a couple hours) to input the information in the online program to generate the score.
- The monitoring portion of the program is really the most important part. Having that data is very valuable in terms of being able to determine any disconnect between the design and the operation of a building.
- Having to wait a whole year to monitor a building adds a significant amount of uncertainty to an already uncertain process. Perhaps the punitive nature of the policy could be scaled back.

Deconstruction/Recycling Discussion

- Diversion rate of 50% can easily be achieved, but the question is - are we achieving what we want with the policy.
- Metal and concrete are already being recycled
- Perhaps we should remove metal and concrete first and then have a recycling/reuse threshold.
- Significant savings can be had with the tax credits, however, tax laws can be changed.
- More detail is needed with this policy. 50% seems to be arbitrary.

#### Action Items

- Look at feasibility of benchmarking existing buildings
- Review policy to determine if differentiating smaller renovations is feasible
- Research E-Star program with regards to different product types
- Look at alternative to punitive measures if project does not meet E-Star rating

**URA Policies Working Group**  
Commons Conference Rm., City Hall  
April 30, 2013  
12:00-1:30 PM

Meeting Notes:

Deconstruction/Recycling Discussion

- In order for program to be successful there is a strong need for third party reporting
- Tax incentives alone are enough to offset additional costs. Neil Kaufman indicated he would gather data to demonstrate.\*
- Concern about the one-size fits all approach. Due to time constraints and full deconstruction process may not be feasible – may need to go through hybrid process that is more waste diversion through recycling/reuse
- Different building types and use drive variables in cost and time – any policy needs to take into account different processes for different building types/uses
- Certain materials are going to be recycled anyway (i.e., concrete, steel copper, etc.) – these should not be considered waste.
- What happens if a project doesn't meet the 50% threshold – are we going to withhold funds? Punitive aspect is concerning.
- Do we, as a community, even know if we are diverting 50% of the waste we are generating? Do we have this data?
- Monitoring diversion rates is problematic as it is very difficult to actually verify compliance. Third-party monitoring would be very important.
- National Center for Craftsmanship and Waste Not would rather see an incentive based program because it is easier to work with clients when they choose to go through the process
- Could require 50% (by weight) diversion but include an exception clause that states that if an "As-Built Quantity Survey" demonstrates 50% would not be achievable.
- Neil Kaufman agreed to provide the group with an estimate of as-built quantity survey.\*
- It is important to provide the development community the impacts of such policies.

\*Additional information pending.

**URA Policies Working Group**  
Commons Conference Rm., City Hall  
May 10, 2013  
12:00-1:30 PM

Meeting Notes:

Deconstruction/Recycling Discussion

- Discussion centered on the need to know the net impacts of required deconstruction. The group was reminded that the current policy proposal was for a required recycling/reuse threshold and not deconstruction.
- Neil Kaufman reviewed a handout demonstrating the potential return on investment for deconstruction projects following the National Center for Craftsmanship model. He emphasized the numbers are shown as an example and are not intended to show that it works all the time.
- The group inquired as to the cost of quantity surveys to determine feasibility of recycling/reuse of building materials. A full-blown quantity survey could cost several thousand dollars; however, a full blown survey would not be required to determine feasibility. The cost would be significantly less although exact amount is unknown.
- A comment was made that not all URAs are created equally in terms of time and money available. North College URA only has 16 years left, so has less money available. The more money required of a project due to policies/regulations, the less money that is available for public infrastructure and other needed improvements.
- There was discussion regarding allowing any additional costs associated with recycling/deconstruction to be considered a cost that is eligible for reimbursement by the URA. It was emphasized that we should not set the bar too low in terms of recycling requirements and end up paying a premium (reimbursement).

Energy Star Discussion

- There was discussion about additional costs associated with implementing the Energy Star requirements. It was explained that the Energy Star scoring systems compares a proposed building to a national survey of buildings conducted in 2003. Most buildings are required to meet energy codes newer than 2003, so in most cases proposed buildings compare favorably. As a result, experience shows that meeting Energy Star does not increase construction costs.
- The group was reminded that the monitoring aspect of the proposal is problematic because developers/property owners are not always in control of tenant spaces and therefore cannot control energy use. It would be difficult to punish a property owner/developer for circumstances they can't control.
- The group discussed the positive benefits of meeting energy efficiency requirements, but struggled with the punitive nature of the proposal. Could support the proposal if there was no punitive aspect to the policy.

<b>Energy Star Ratings for City Owned Facilities</b>					
<b>My Portfolio: Stu Reeve</b>					
April 19, 2013 - 05:51:51 PM					
Total Buildings: 21					
Facility Name	Current Rating	Total Floor Space (Sq. Ft.)	Current Energy Period Ending Date	Eligibility for the ENERGY STAR	Last Modified
	(1-100)				
117 N Mason	48	15,500	8/31/2012	Not Eligible: Rating must be 75 or above	10/25/2012
215 NM	90	72,000	9/30/2012	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 09/30/2013	11/16/2012
281 NC	95	37,603	10/31/2012	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 10/31/2013	11/30/2012
City Hall	2	31,553	9/30/2012	Not Eligible: Rating must be 75 or above	10/25/2012
City Park Pool/Bathhouse	<a href="#">N/A</a>	0	9/30/2012	Not Eligible: Rating must be 75 or above	10/30/2012
EPIC	<a href="#">N/A</a>	97,900	9/30/2012	Not Eligible: Rating must be 75 or above	10/30/2012
Fleet Services	<a href="#">N/A</a>	23,200	8/31/2012	Not Eligible: Rating must be 75 or above	10/30/2012
Lincoln Center	<a href="#">N/A</a>	74,143	9/30/2012	Not Eligible: Rating must be 75 or above	10/30/2012
Loomis Warehouse	60	20,244	8/31/2012	Not Eligible: Rating must be 75 or above	10/25/2012
Mulberry Pool	<a href="#">N/A</a>	0	9/30/2012	Not Eligible: Rating must be 75 or above	10/30/2012
Museum	<a href="#">N/A</a>	12,853	9/30/2012	Not Eligible: Rating must be 75 or above	10/30/2012
Museum of Discovery	71	46,928	8/31/2012	Not Eligible: Rating must be 75 or above	11/5/2012
North Transit Center	27	6,013	8/31/2012	Not Eligible: Rating must be 75 or above	10/30/2012
North-Side Aztlan Center	<a href="#">N/A</a>	49,800	9/30/2012	Not Eligible: Rating must be 75 or above	10/30/2012
Operation Services	88	26,564	9/30/2012	Not Eligible: Less than one year since the period ending date of the last ENERGY STAR application. Eligible again on 09/30/2013	11/27/2012

Facility Name	Current Rating	Total Floor Space (Sq. Ft.)	Current Energy Period Ending Date	Eligibility for the ENERGY STAR	Last Modified
	(1-100)				
Police Services	57	98,800	9/30/2012	Not Eligible: Rating must be 75 or above	10/25/2012
Ricker Brothers Warehouse	38	14,160	8/31/2012	Not Eligible: Rating must be 75 or above	10/30/2012
Senior Center	<a href="#">N/A</a>	41,220	8/31/2012	Not Eligible: Rating must be 75 or above	10/30/2012
Streets/Maintenance Facility	<a href="#">N/A</a>	51,314	8/31/2012	Not Eligible: Rating must be 75 or above	10/30/2012
Traffic Ops	19	9,500	8/31/2012	Not Eligible: Rating must be 75 or above	11/5/2012
Transfort	<a href="#">N/A</a>	50,445	9/30/2012	Not Eligible: Rating must be 75 or above	11/5/2012
<b>Group Total</b>		779,740			



# STATEMENT OF ENERGY PERFORMANCE

## Valley Steel

**Building ID:** 3551491  
**For 12-month Period Ending:** December 31, 2012<sup>1</sup>  
**Date SEP becomes ineligible:** N/A

**Date SEP Generated:** May 09, 2013

**Facility**  
 Valley Steel  
 208 Hickory St.  
 Fort Collins, CO 80521

**Facility Owner**  
 N/A

**Primary Contact for this Facility**  
 N/A

**Year Built:** 2007  
**Gross Floor Area (ft<sup>2</sup>):** 19,000

**Energy Performance Rating<sup>2</sup> (1-100)** 79

**Site Energy Use Summary<sup>3</sup>**

Electricity - Grid Purchase(kBtu)	120,785
Natural Gas (kBtu) <sup>4</sup>	404,000
Total Energy (kBtu)	524,785

**Energy Intensity<sup>4</sup>**

Site (kBtu/ft <sup>2</sup> /yr)	28
Source (kBtu/ft <sup>2</sup> /yr)	43

**Emissions (based on site energy use)**

Greenhouse Gas Emissions (MtCO <sub>2</sub> e/year)	52
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**Electric Distribution Utility**

Fort Collins Utilities

**National Median Comparison**

National Median Site EUI	46
National Median Source EUI	73
% Difference from National Median Source EUI	-40%
Building Type	Warehouse (Unrefrigerated)

Stamp of Certifying Professional

Based on the conditions observed at the time of my visit to this building, I certify that the information contained within this statement is accurate.

**Meets Industry Standards<sup>5</sup> for Indoor Environmental Conditions:**

Ventilation for Acceptable Indoor Air Quality	N/A
Acceptable Thermal Environmental Conditions	N/A
Adequate Illumination	N/A

**Certifying Professional**  
 N/A

**Notes:**

1. Application for the ENERGY STAR must be submitted to EPA within 4 months of the Period Ending date. Award of the ENERGY STAR is not final until approval is received from EPA.
2. The EPA Energy Performance Rating is based on total source energy. A rating of 75 is the minimum to be eligible for the ENERGY STAR.
3. Values represent energy consumption, annualized to a 12-month period.
4. Values represent energy intensity, annualized to a 12-month period.
5. Based on Meeting ASHRAE Standard 62 for ventilation for acceptable indoor air quality, ASHRAE Standard 55 for thermal comfort, and IESNA Lighting Handbook for lighting quality.

## ENERGY STAR® Data Checklist for Commercial Buildings

In order for a building to qualify for the ENERGY STAR, a Professional Engineer (PE) or a Registered Architect (RA) must validate the accuracy of the data underlying the building's energy performance rating. This checklist is designed to provide an at-a-glance summary of a property's physical and operating characteristics, as well as its total energy consumption, to assist the PE or RA in double-checking the information that the building owner or operator has entered into Portfolio Manager.

**Please complete and sign this checklist and include it with the stamped, signed Statement of Energy Performance.**

NOTE: You must check each box to indicate that each value is correct, OR include a note.

CRITERION	VALUE AS ENTERED IN PORTFOLIO MANAGER	VERIFICATION QUESTIONS	NOTES	<input checked="" type="checkbox"/>
<b>Building Name</b>	Valley Steel	Is this the official building name to be displayed in the ENERGY STAR Registry of Labeled Buildings?		<input type="checkbox"/>
<b>Type</b>	Warehouse (Unrefrigerated)	Is this an accurate description of the space in question?		<input type="checkbox"/>
<b>Location</b>	208 Hickory St., Fort Collins, CO 80521	Is this address accurate and complete? Correct weather normalization requires an accurate zip code.		<input type="checkbox"/>
<b>Single Structure</b>	Single Facility	Does this SEP represent a single structure? SEPs cannot be submitted for multiple-building campuses (with the exception of a hospital, k-12 school, hotel and senior care facility) nor can they be submitted as representing only a portion of a building.		<input type="checkbox"/>
208 Hickory Warehouse (Warehouse (Unrefrigerated))				
CRITERION	VALUE AS ENTERED IN PORTFOLIO MANAGER	VERIFICATION QUESTIONS	NOTES	<input checked="" type="checkbox"/>
<b>Gross Floor Area</b>	19,000 Sq. Ft.	Is this the total gross floor area as measured between the principal exterior surfaces of the enclosing fixed walls and including all supporting functions? The total gross floor area should include offices, lobbies, rest rooms, equipment storage areas, mechanical rooms, employee break rooms, cafeterias, elevators, stairwells, all space occupied by refrigeration/freezer units, and all areas that are entirely refrigerated. Existing atriums or areas with high ceilings should only include the base floor area that they occupy. The total gross floor area should not include outside loading bays or docks.		<input type="checkbox"/>
<b>Workers on Main Shift</b>	4	Does this number represent the average number of workers that are present during the primary shift (that is, the shift with the most workers)? Note: this is not the total number of staff employed at the property. For example, if there are three daily 8 hour shifts of 100 workers each, the Workers on Main Shift value is 100.		<input type="checkbox"/>
<b>Weekly operating hours</b>	54 Hours	Is this the total number of hours per week that this warehouse space is in operation, excluding hours when the facility is occupied by maintenance, security, or other support personnel? Note: the average warehouse space operates 60 hours per week.		<input type="checkbox"/>
<b>Percent Cooled</b>	0 %	Is this the percentage of the total floor space within the facility that is served by mechanical cooling equipment?		<input type="checkbox"/>
<b>Percent Heated</b>	100 %	Is this the percentage of the total floor space within the facility that is served by mechanical heating equipment?		<input type="checkbox"/>
<b>Number of walk-in refrigeration/freezer units</b>	0	Does this count include all large walk-in refrigeration or freezer units at the warehouse?		<input type="checkbox"/>
<b>Distribution Center</b>	No(Optional)	Is this building considered a distribution center?		<input type="checkbox"/>

## ENERGY STAR® Data Checklist for Commercial Buildings

### Energy Consumption

**Power Generation Plant or Distribution Utility:** Fort Collins Utilities

Fuel Type: Electricity		
<b>Meter: Electric Meter (kWh (thousand Watt-hours))</b> <b>Space(s): 208 Hickory Warehouse</b> <b>Generation Method: Grid Purchase</b>		
Start Date	End Date	Energy Use (kWh (thousand Watt-hours))
12/01/2012	12/31/2012	2,720.00
11/01/2012	11/30/2012	4,360.00
10/01/2012	10/31/2012	4,240.00
09/01/2012	09/30/2012	1,440.00
08/01/2012	08/31/2012	1,640.00
07/01/2012	07/31/2012	1,440.00
06/01/2012	06/30/2012	1,800.00
05/01/2012	05/31/2012	1,360.00
04/01/2012	04/30/2012	2,680.00
03/01/2012	03/31/2012	4,560.00
02/01/2012	02/29/2012	4,880.00
01/01/2012	01/31/2012	4,280.00
<b>Electric Meter Consumption (kWh (thousand Watt-hours))</b>		<b>35,400.00</b>
<b>Electric Meter Consumption (kBtu (thousand Btu))</b>		<b>120,784.80</b>
<b>Total Electricity (Grid Purchase) Consumption (kBtu (thousand Btu))</b>		<b>120,784.80</b>
Is this the total Electricity (Grid Purchase) consumption at this building including all Electricity meters?		<input type="checkbox"/>
Fuel Type: Natural Gas		
<b>Meter: Gas Meter - Xcel (therms)</b> <b>Space(s): 208 Hickory Warehouse</b>		
Start Date	End Date	Energy Use (therms)
12/01/2012	12/31/2012	1,087.00
11/01/2012	11/30/2012	537.00
10/01/2012	10/31/2012	17.00
09/01/2012	09/30/2012	0.00
08/01/2012	08/31/2012	0.00
07/01/2012	07/31/2012	0.00
06/01/2012	06/30/2012	0.00
05/01/2012	05/31/2012	0.00
04/01/2012	04/30/2012	39.00
03/01/2012	03/31/2012	351.00

02/01/2012	02/29/2012	1,061.00
01/01/2012	01/31/2012	948.00
<b>Gas Meter - Xcel Consumption (therms)</b>		<b>4,040.00</b>
<b>Gas Meter - Xcel Consumption (kBtu (thousand Btu))</b>		<b>404,000.00</b>
<b>Total Natural Gas Consumption (kBtu (thousand Btu))</b>		<b>404,000.00</b>
<b>Is this the total Natural Gas consumption at this building including all Natural Gas meters?</b>		<input type="checkbox"/>

<b>Additional Fuels</b>	
Do the fuel consumption totals shown above represent the total energy use of this building? Please confirm there are no additional fuels (district energy, generator fuel oil) used in this facility.	<input type="checkbox"/>

<b>On-Site Solar and Wind Energy</b>	
Do the fuel consumption totals shown above include all on-site solar and/or wind power located at your facility? Please confirm that no on-site solar or wind installations have been omitted from this list. All on-site systems must be reported.	<input type="checkbox"/>

## Certifying Professional

(When applying for the ENERGY STAR, the Certifying Professional must be the same PE or RA that signed and stamped the SEP.)

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Signature is required when applying for the ENERGY STAR.

# FOR YOUR RECORDS ONLY. DO NOT SUBMIT TO EPA.

Please keep this Facility Summary for your own records; do not submit it to EPA. Only the Statement of Energy Performance (SEP), Data Checklist and Letter of Agreement need to be submitted to EPA when applying for the ENERGY STAR.

**Facility**  
Valley Steel  
208 Hickory St.  
Fort Collins, CO 80521

**Facility Owner**  
N/A

**Primary Contact for this Facility**  
N/A

## General Information

Valley Steel	
Gross Floor Area Excluding Parking: (ft <sup>2</sup> )	19,000
Year Built	2007
For 12-month Evaluation Period Ending Date:	December 31, 2012

## Facility Space Use Summary

208 Hickory Warehouse	
Space Type	Warehouse (Unrefrigerated)
Gross Floor Area (ft <sup>2</sup> )	19,000
Workers on Main Shift	4
Weekly operating hours	54
Percent Cooled	0
Percent Heated	100
Number of walk-in refrigeration/freezer units	0
Distribution Center <sup>o</sup>	N

## Energy Performance Comparison

Performance Metrics	Evaluation Periods		Comparisons		
	Current (Ending Date 12/31/2012)	Baseline (Ending Date 12/31/2012)	Rating of 75	Target	National Median
Energy Performance Rating	79	79	75	N/A	50
Energy Intensity					
Site (kBtu/ft <sup>2</sup> )	28	28	31	N/A	46
Source (kBtu/ft <sup>2</sup> )	44	44	48	N/A	73
Energy Cost					
\$/year	N/A	N/A	N/A	N/A	N/A
\$/ft <sup>2</sup> /year	N/A	N/A	N/A	N/A	N/A
Greenhouse Gas Emissions					
MtCO <sub>2</sub> e/year	52	52	58	N/A	87
kgCO <sub>2</sub> e/ft <sup>2</sup> /year	3	3	3	N/A	5

More than 50% of your building is defined as Warehouse (Unrefrigerated). Please note that your rating accounts for all of the spaces listed. The National Median column presents energy performance data your building would have if your building had a median rating of 50.

Notes:

o - This attribute is optional.

d - A default value has been supplied by Portfolio Manager.

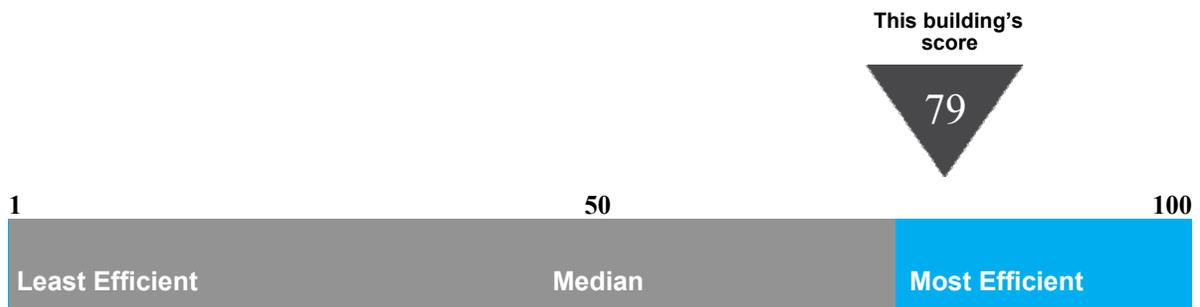
# Statement of Energy Performance

## 2012

Valley Steel  
208 Hickory St.  
Fort Collins, CO 80521

Portfolio Manager Building ID: 3551491

The energy use of this building has been measured and compared to other similar buildings using the Environmental Protection Agency's (EPA's) Energy Performance Scale of 1–100, with 1 being the least energy efficient and 100 the most energy efficient. For more information, visit [energystar.gov/benchmark](http://energystar.gov/benchmark).



This building uses 43 kBtu per square foot per year.\*

\*Based on source energy intensity for the 12 month period ending December 2012

Buildings with a score of 75 or higher may qualify for EPA's ENERGY STAR.

I certify that the information contained within this statement is accurate and in accordance with U.S. Environmental Protection Agency's measurement standards, found at [energystar.gov](http://energystar.gov)

Date of certification



**MEMORANDUM  
FROM THE CITY OF FORT COLLINS  
NATURAL RESOURCES ADVISORY BOARD**

**DATE:** May 15, 2013  
**TO:** Urban Redevelopment Authority Board  
**FROM:** Joseph Piesman on behalf of the Natural Resources Advisory Board  
**SUBJECT:** URA Project Requirements

In May the NRAB received information from staff concerning the proposed requirements for URA funded projects to meet EPA Energy Star standards and to meet deconstruction/recycling goals. The NRAB is supportive of these requirements.

Motion: The NRAB supports the EPA Energy Star requirements and deconstruction/recycling requirements as recommended by staff for URA funded projects.

The motion passed by a vote of 6-1 in favor.

Please feel free to contact me regarding this recommendation.

Respectfully Submitted,

Joe Piesman  
Chair, Natural Resources Advisory Board  
691-6697  
[j.piesman@comcast.net](mailto:j.piesman@comcast.net)

cc: Darin Atteberry  
Tom Leeson  
Susie Gordon



**Environmental Services**

215 North Mason  
PO Box 580  
Fort Collins, CO 80522

**970.221.6600**  
970.224.6177 Fax

[fcgov.com/environmental\\_services](http://fcgov.com/environmental_services)

***City of Fort Collins – Air Quality Advisory Board***

To: City of Fort Collins – Urban Renewal Authority

From: Greg McMaster, Chair AQAB

Date: 3/18/2013

Re: Recommendation to Urban Renewal Authority on Resolution Amending the 2012 URA Policies and Procedures

---

The Air Quality Advisory Board (AQAB) submits the following recommendations to the Urban Renewal Authority (URA) regarding the proposed resolution to modify the 2012 URA policies and procedures:

1. All projects must be monitored for 12 months to verify an Energy Star score of 75 or greater.
2. Increase the requirement for waste stream construction/demolition recycling to a minimum of 60% and as high as feasible.

The AQAB encourages the URA to also consider the following:

3. Require active, verifiable ambient air quality mitigation during deconstruction and construction to reduce mobile and fugitive emissions.
4. Clarify the meaning of the requirement that "...the building meets indoor environmental standards ...". Does this include the City's municipal code for radon?
5. Encourage participation in the City's ClimateWise program.

The AQAB appreciates your consideration of these recommendations when drafting revisions to the policy.

## Fort Collins URA Work Session – Energy Efficiency Policies

July 30, 2013

1



### General Direction Sought

- Is there support for moving forward with a resolution to amend the evaluation criteria to require participation in the EPA's Energy Star program, as well as construction/demolition waste diversion thresholds?
- If there is support for the policy change, does the URA Board support the working group's recommendations?

2



## URA Evaluation Criteria

Background:

- March 27, 2013 Board Hearing
- EPA's Energy Star program and the Target Finder system
- 50% diversion rate of the waste materials by weight generated by a construction or demolition project
- Item continued to allow for greater public outreach

3



## Policy Working Group

Working group of community members and industry professionals established

Met on three occasions and provided perspective and some recommendations

Evaluate existing buildings/projects

4



## Energy Efficiency Requirements

- Designed to Earn the Energy Star certification
- Energy Star label
- Close the loop between design and actual performance
- Monitor energy use for 12 consecutive months

5



## Energy Efficiency Requirements

### Applicability:

New buildings and major renovations (more than 50% of square footage affected)

- Energy Star Label

Minor Renovations (Less 50% square footage affected)

- Current Energy Code (except building envelope)
- Monitor Energy Use for 12 months

6



## Deconstruction/Recycling

URA funded projects demonstrate that at least 50% of the waste materials by weight (excluding wastes containing lead, asbestos or other hazardous material) generated by a construction or demolition project be diverted from the landfill through waste management options, such as reuse or recycling.

7



## Outreach Efforts

Presentation to Additional Boards

- Natural Resources Advisory Board
- Air Quality Advisory Board
- Chamber
- South/North Fort Collins Business Associations
- Policy Working Group

8



## Working Group Discussion

Energy Efficiency Requirements:

- Concerned with Increase in Costs
- Lack of Control over certain Properties
- Withholding of funds

9



## Working Group Recommendation

Energy Efficiency Requirements:

- Support for requirements
- Support for 12-month monitoring
- Remove punitive aspect of policy

10



## Working Group Discussion

Recycling/Deconstruction Requirements:

- One-size fits all Nature of Policy Problematic
- Difficulty with Monitoring
- Punitive Aspect

11



## Working Group Recommendation

Recycling/Deconstruction Requirements:

- Allow "As-Built Survey" to be submitted
- Require Third-party Verification
- Remove Punitive Aspect

12



## Direction Sought

- Is there support for moving forward with a resolution to amend the evaluation criteria to require participation in the EPA's Energy Star program, as well as construction/demolition waste diversion thresholds?
- If there is support for the policy change, does the URA Board support the working group's recommendations?