

MEMORANDUM

TO: Transportation, Infrastructure, Energy and Environment Committee

FROM: Amanda Mihill, Legislative Attorney 
Michael Faden, Senior Legislative Attorney

SUBJECT: **Worksession:** Bill 10-14, Buildings – Solar Permits – Expedited Review

Bill 10-14, Buildings – Solar Permits – Expedited Review, sponsored by Councilmembers Berliner, Floreen, and Riemer, Council Vice President Leventhal, Council President Rice, and Councilmembers Elrich, Andrews, and Navarro, was introduced on January 28, 2014. A public hearing was held by the Committee on February 11.

Bill 10-14 would require the Department of Permitting Services to implement an expedited review process for permits to install rooftop solar photovoltaic systems and require the Department to charge reduced fees for those permits.

Councilmember Berliner explained the purpose of this Bill in his January 14 memorandum describing his proposed energy/environmental package. See ©5 of Bill 4-14, T&E Item 1.

The Fiscal and Economic Impact statement for this Bill will be transmitted after March 17 (see ©4).

Issues for Committee Discussion

Should these permits be treated as expedited permits? The Maryland National Capital Building Industry Association (BIA) noted that these permits may be part of a larger permit application and not easily separated for expedited review and urged the County to instead continue to improve the overall permit review and approval process. While Council staff agrees that continued improvements to the overall process are beneficial, enacting this bill could provide an incentive for residents to install these environment-friendly devices.

Are reduced fees appropriate for these permits? As noted above, this bill would require the Department to reduce permit fees for this type of permit by 50%. Enacting this bill could provide an incentive for residents to install these devices, but Councilmembers should be aware that because the Department is an enterprise fund, enacting reduced fees could require a transfer of funds from the General Fund.

This packet contains:

Bill 10-14

Legislative Request Report

OMB and Finance Memo

Written Correspondence

County Executive

BIA

Circle #

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Bill No. 10-14
Concerning: Buildings – Solar Permits –
Expedited Review
Revised: 12/9/2013 Draft No. 1
Introduced: January 28, 2014
Expires: July 28, 2015
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: None
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Councilmembers Berliner, Floreen, and Riemer, Council Vice President Leventhal, Council President Rice, and Councilmembers Elrich, Andrews, and Navarro

AN ACT to:

- (1) require the Department of Permitting Services to implement an expedited review process for permits to install rooftop solar photovoltaic systems;
- (2) require the Department to charge reduced fees for permits to install rooftop solar photovoltaic systems; and
- (2) generally amend County law regarding building permits.

By adding

Montgomery County Code
Chapter 8, Buildings
Section 8-24C

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

Sec. 1. Section 8-24C is added as follows:

8-24C. Expedited review process for a solar photovoltaic system.

The Department must adopt an expedited review process for each permit to install a rooftop solar photovoltaic system. The application fee for each permit to install a rooftop solar photovoltaic system must not exceed half the amount the Department charges for a similar permit.

Approved:

Craig L. Rice, President, County Council

Date

Approved:

Isiah Leggett, County Executive

Date

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

Date

LEGISLATIVE REQUEST REPORT

Bill 10-14

Buildings – Solar Permits – Expedited Review

DESCRIPTION:	Would require the Department of Permitting Services to implement an expedited review process for permits to install rooftop solar photovoltaic systems, and to charge reduced fees for those permits.
PROBLEM:	Permitting times and costs may discourage some residents from applying for permits to install certain renewable energy devices, including solar photovoltaic systems.
GOALS AND OBJECTIVES:	To encourage residents to increase the use of solar photovoltaic systems.
COORDINATION:	Department of Permitting Services
FISCAL IMPACT:	To be requested.
ECONOMIC IMPACT:	To be requested.
EVALUATION:	To be requested.
EXPERIENCE ELSEWHERE:	To be researched.
SOURCE OF INFORMATION:	Amanda Mihill, 240-777-7815
APPLICATION WITHIN MUNICIPALITIES:	To be researched.
PENALTIES:	N/A



ROCKVILLE, MARYLAND

MEMORANDUM

February 5, 2014

TO: Craig Rice, President, County Council

FROM: Jennifer A. Hughes, ~~Director~~, Office of Management and Budget
Joseph F. Beach, ~~Director~~, Department of Finance

SUBJECTS: Bill 2-14, Environmental Sustainability – Buildings – Benchmarking
Bill 3-14, Buildings – Energy Efficiency – Energy Standards
Bill 4-14, Street and Roads – County Street Lights
Bill 5-14, Environmental Sustainability – Social Cost of Carbon Assessments
Bill 6-14, Environmental Sustainability – Office of Sustainability – Established
Bill 7-14, Contracts and Procurement – Certified Green Business Program
Bill 8-14, Buildings – County Buildings – Clean Energy Renewable Technology
Bill 9-14, Environmental Sustainability – Renewable Energy – County Purchase
Bill 10-14, Buildings – Solar Permits – Expedited Review
Bill 11-14, Buildings – Electric Vehicle Charging Station Permits – Expedited Review

As required by Section 2-81A of the County Code, we are informing you that transmittal of the fiscal and economic impact statements for the above referenced legislation will be delayed because more time is needed to coordinate with the affected departments, collect information, and complete our analysis of the fiscal and economic impacts. While we are not able to conduct the required detailed analyses at this time, it is clear that a number of these bills could have significant fiscal impacts.

Due to this year's heavy workload on Executive branch staff in developing both a full capital budget and an operating budget, the fiscal and economic statements will be transmitted after March 17, 2014.

JAH:fz

cc: Bonnie Kirkland, Assistant Chief Administrative Officer
Lisa Austin, Offices of the County Executive
Joy Nurmi, Special Assistant to the County Executive
Patrick Laefield, Director, Public Information Office
Marc P. Hansen, Office of the County Attorney
Robert Hagedoorn, Department of Finance
David Platt, Department of Finance
Alex Espinosa, Office of Management and Budget
Mary Beck, Office of Management and Budget
Nacem Mia, Office of Management and Budget
Felicia Zhang, Office of Management and Budget

TESTIMONY ON BEHALF OF COUNTY EXECUTIVE ISIAH LEGGETT

ON ENVIRONMENTAL AND SUSTAINABILITY PACKAGE

Bills 2-14, 3-14, 4-14, 5-14, 6-14, 7-14, 8-14, 9-14, 10-14, 11-14, 12-14

February 11, 2014

Good evening Council President Rice and members of the County Council. My name is Bonnie Kirkland and I am pleased to be here on behalf of County Executive Isiah Leggett to testify on the package of environmental and sustainability measures introduced on February 4, 2014 by Councilmember Berliner and others. Mr. Leggett supports Councilmember Berliner's initiative and the Council's efforts to address the need for more sustainable development in Montgomery County. Following up on recommendations from the Sustainability Workgroup, this package of renewable energy, energy efficiency and sustainability measures will take the County to the next level of environmental excellence.

Sustainable development has been defined as meeting the needs of the present without compromising the ability of future generations to meet their own needs.¹ The path forward requires understanding and planning: understanding how existing buildings perform and how planned buildings are expected to perform; and designing buildings and other infrastructure that reduce materials consumption, reuse materials, reduce energy consumption and maximize the use of renewable resources.

County Executive Leggett recognizes that the path forward will involve substantial change and commitment on the part of both the public sector and the private sector. He is committed to working with the Council on this package during the coming weeks to develop the most progressive and reasonable legislation achievable that will balance both the compelling need to achieve sustainable development and the budgetary realities faced by the County and our local businesses to fully implement the approved changes the legislative package requires.

Stewardship for future generations has been a cornerstone of Mr. Leggett's Smart Growth Initiative in terms of planning for future growth at appropriate transit oriented locations. The County Executive applauds Councilmember Berliner's and the sponsoring council members' vision and recognition of the need for stewardship of our precious resources for future generations.

¹ International Institute for Sustainable Development quoting from the World Commission on Environment and Development (WCED). *Our common future*. Oxford: Oxford University Press, 1987 p. 43.

Mihill, Amanda

From: Faden, Michael
Sent: Tuesday, February 11, 2014 1:24 PM
To: Mihill, Amanda
Subject: FW: Energy Bills Testimony

From: Robert Kaufman [mailto:rkaufman@mncbia.org]
Sent: Tuesday, February 11, 2014 12:44 PM
To: Berliner's Office, Councilmember; Riemer's Office, Councilmember; Floreen's Office, Councilmember; Leventhal's Office, Councilmember; Rice's Office, Councilmember; Elrich's Office, Councilmember; Andrews's Office, Councilmember; Navarro's Office, Councilmember; Branson's Office, Councilmember; Hoyt, Bob
Cc: Goldstein, Steven; Gibson, Cindy; Faust, Josh; Healy, Sonya; Jones, Diane; Wright, Gwen; Zyontz, Jeffrey; Orlin, Glenn; Faden, Michael; Michaelson, Marlene; McMillan, Linda; Kelly Grudziecki; Bruce H. Lee; Bryant F. Foulger; Bob Harris; William Kominers; selmendorf@linowes-law.com; tdugan@shulmanrogers.com; Montenegro@ballardspahr.com; Pharr, Shaun; Clark Wagner; JRussel@rodgers.com; Paul Chod; Steve Robins; Steve Orens; Ilaya Hopkins; Ilana Branda; lisetracey@yahoo.com; gitaliano@bccchamber.org; Jane Redicker; Annette Rosenblum; mjackson@mncbia.org; dswenson@mncbia.org
Subject: Energy Bills Testimony



Please accept the following as Testimony on behalf of the MNCBIA concerning the various Energy related bills introduced by Councilmember Berliner and others.

Bills 11-14 and 10-14 Expedited Review

We understand and appreciate the desire to provide an expedited review as an incentive to promote use of energy saving technology, the facts however suggest that all new buildings and remodeling meet substantially higher standards of energy efficiency and all deserve efficient review and approval. Especially since passage of the 2012 Building and Energy Code changes, all new and remodeled buildings today provide substantial energy savings and efficiencies. Additionally, identifying specific permits to expedite may not be as simple as it seems given the complexities of today's permits and construction techniques. The Solar permits or charging permits may be part of a much larger permit application and may not be easily separated for expedited review. The MNCBIA recently established a Solar Energy Program with ASTRUM Solar to encourage use of Solar installations on new homes and would in fact benefit from an expedited process.

Instead, however, we urge the County to continue to improve the overall permit review and approval process so that an expedited review becomes moot. We draw attention to and gratefully acknowledge the recent announcement by DPS to institute an electronic plan submission for new construction and right-of-way permits and look forward to other improvements.

Bill 6-14 Environmental Sustainability Office

Given the real world changes to our land use regulations and building codes, an office of sustainability best serves the County as a comprehensive planning approach that encourages coordination and balance to maximize use and maintenance of our complex systems that tie together smart growth planning, land use planning, building use, land use and transportation. **We support encouraging MNCPPC to create a position of a sustainability planner in MNCPPC** where we do our forward thinking. The Department of Environmental Protection provides guidance and support for land use related issues and environmental stewardship of our land. Sustainability implies economics, construction,

government policy, business management, coordination, building technology as well as land use most of which remain outside the purview of DEP.

Bill 3-14 Building Standards - LEED Silver

New buildings today increasingly meet a minimum of LEED or other similar certification such as IgCC and Green Globes.

The LEED Silver level continues to evolve and relies on land use based issues as well and energy efficiencies that cannot be easily achieved. **We prefer continuing to allow the market place to work toward green options** particularly in light of the new energy and building codes and prefer capitalizing on the current market trend toward green certification at the LEED certified, IgCC and Green Globes levels.

Bill 2-14 Benchmarking

Currently we operate on a whole new set of energy saving requirements for all new and remodeled buildings based on the 2012 Building and Energy Codes. In addition, nearly all new buildings today meet LEED certified or similar standard. Benchmarking becomes excessive under these circumstances. Additionally, we need to agree on what purpose the benchmarking serves. As currently developed by EPA, the benchmarking relates largely to greenhouse gas emissions and not costs or energy use. This promotes use of natural gas and renewable energy sources over use of coal, oil, or other carbon based fuel. Today the cost of gas remains comparatively low, this results often in cost savings, however, most users have little say over the source of fuel used to generate electricity and cannot easily switch to gas or renewable sources. Should gas prices rise, than any cost savings may evaporate. Nonetheless, we support the concept of encouraging and supporting efforts to benchmark the energy use of buildings if only to set goals for energy savings over time. **We urge the Council to set up a working group to identify ways to best create, support, encourage and measure building energy use that can be cost effective and manageable.** Especially problematic concerns the requirement to set up benchmarking apparatuses for residential and commercial tenants, or owners of condo space within buildings.

The use of benchmarking can result in the highest energy savings with existing buildings. This unfortunately places the greatest cost burden on the most affordable buildings with the lowest rents, both residential and commercial. Clearly if the investment in energy savings saves money, the owners, tenants and the County have a natural incentive to set up benchmarking. **We urge the County to form a working groups of existing building owners and tenants to consider the most effective way to encourage, support and afford energy re-commissioning.**

S. Robert Kaufman
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BIA's Networking Happy Hour – Feb. 20
& FREE Business Development Class
[Click here](#) for details and to register

FIL Speaker Series with Bryant Foulger – Feb. 21
Join us for breakfast. [Click here](#)

Celebrity Chefs & Tabletop Night – March 27
Be a Chef or just come to eat. [Click here](#) for details

Check out NAHB's Member Advantage Program at www.nahb.org/ma

BUILDING HOMES & CREATING NEIGHBORHOODS FOR 60 YEARS
1954-2014