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Chair Macek and Planning Commissioners:

The EPC urges the Planning Commission to reject Hilco Partners Consolidated Sustainability Strategy until it addresses the points raised in this letter. This letter represents the sentiments of a consensus of the EPC members obtained via one-on-one conversations with Commissioners and the Chair. A final vote of approval must wait until our next meeting due to Hilco's providing its final materials too late for adequate consideration by EPC members during our meeting and a vote on this letter.

The climate crisis is the single largest threat to the long-term health and prosperity of the City of Alexandria. Today in Alexandria, it is causing increased heat related deaths, increased asthma rates in our children, property damage from flooding and increased tax burden to address all of these. It will not be possible to be the caring, kind, compassionate, fair, just, and equitable city that is an affordable, livable community for all if we do not implement effective actions to address this emergency.

To respond to the crisis, the City has taken the following actions:

- 1) July 2019, the City adopted a policy of reducing GHG emissions by 50% by 2030 and 80-100% by 2050 in the EAP2040.
- 2) October 2019, the City declared a Climate Emergency recognized three critical facts demonstrating the urgency for action:
 - The cost to address emissions today is far less than the cost of not addressing them.
 - Marginalized populations in Alexandria and worldwide are disproportionately burdened by the climate crisis.
 - It is estimated that \$100 million to \$250 million dollars of Alexandria property will be affected by a rise in sea level of one to five feet with many residents displaced, and

In response, the City committed to:

- "a citywide just transition and mobilization effort"
 - "ending Citywide greenhouse gas (GHG) emissions as quickly as possible"
 - "accelerating adaptation and resilience strategies"
 - "underscoring the need for full community participation, inclusion and support" and
 - "being integral to and in the leadership of the mobilization effort."
- 3) March 2022, Council set its City Strategic Priorities including these principles: equity, environmental justice, civility, transparency, respect, and service. (See attachment 1) We assume these principles do not just apply to residents, but also those who propose to do business in the City as well.

The EAP2040 found that 97% of the GHG emissions come from the **community** and 57% of that comes from **new and existing buildings**. Reducing new building emission contributions to this total and retrofitting existing buildings are the two primary measures that will “**move the needle**” the most.

Unfortunately, the proposed Hilco Redevelopment Partners Consolidated Sustainability Strategy (CSS) fails to meet the policy, principles and declaration above when it comes to the energy efficiency and sustainability¹ of its buildings. Nor does it even address how the incentives provided by the federal government with the Inflation Reduction Act of 2022 will affect the cost and payback period for this development.

Hilco has retained world-class architects and sustainability development companies in Gensler and ARUP. Constructing buildings with much lower Energy Use Intensity (EUI) would not be new to either company. Therefore, since approval/acceptance of the CSS is not required for this project to move forward, we strongly urge the Planning Commission and Council to reject it until it meets each of the points raised below. This would send a message that projects in Alexandria must meet **ALL** of Alexandria’s core values, principles, policies and declarations, not just its Green Building Policy (GBP). The presentation of the CSS to the EPC failed as follows:

- 1) It is **just a retread of the carbon neutral plan** provided earlier with no discernable difference on energy efficiency, renewable energy or sustainability. **It never mentions the Climate Emergency Declaration, the EAP2040 emissions goals, Alexandria’s Core Principles or the federal IRA incentives.**
- 2) Although the CSS claims to exceed the GBP energy efficiency requirements by 25%, it fails to explain in simple math how. On slide #20 of their presentation, they show the EUI of the GBP as 40 and 52 for commercial and residential respectively with their 25% reduction target of 34 and 45 for each. **The math DOES NOT work.** 25 percent of 40 and 52 are 30 and 39. Further, from our understanding of Virginia’s current building energy code (2018 IECC), the proposed energy efficiency of 45 and 52 EUI happens to be the minimum energy performance allowed by law. Yet it is being touted as an ambitious improvement.
- 3) **By not using the best available current technology** as used in similar developments in Philadelphia and New York² to create the most energy efficient building, **it condemns occupants to a doubling of their energy burden over the life of the building.** Thus, instead of providing units that are more comfortable,³ more resilient⁴, less noisy,⁵ resulting in happier residents that move less often, it is adding to Alexandria’s burden of GHG emissions and its future generations. The EPC is unclear on how this meets the City Principles of Environmental Justice and Equity. For example, relying on the de-carbonization of the Grid means higher costs to residents and relies on the resiliency of the Grid during extreme weather events vs. increasing the number of

¹ The EPC uses the UN definition of sustainability: In 1987, the United Nations Brundtland Commission defined sustainability as “meeting the needs of the present without compromising the ability of future generations to meet their own needs.”

² See <https://www.youtube.com/watch?v=NKLciUsDeUI> and <https://www.youtube.com/watch?v=oHYQkvEBSyA>

³ **Highly performance buildings (those that are the most energy efficient) have been demonstrated to be ..**

⁴ High performance buildings maintain their optimal temperatures during electricals outages for much longer periods. **(Source)**

⁵ Given the proximity to Reagan National Airport, the buildings must be sealed tighter to reduce the aircraft noise. This will also make them more energy efficient.

solar panels and combining them with the green roof space.⁶ Further, Grid de-carbonization is dependent upon the Virginia Clean Economy Act that has come under attack by the current Youngkin administration and its repeal is solely dependent upon the one-senator-majority in Richmond. Therefore, relying on a single point of failure is foolish at best.

- 4) Adding material to the EPC presentation 3 hours before the meeting undermines the Open Meeting Rules in Virginia by not allowing adequate time for Commissioners to review and verify the information in advance. City Council has openly chided speakers for this type of behavior; we do not think this meets the City's core principles of respect, transparency and service.

In conclusion, the EPC is NOT asking for renegotiation of the CDD; instead, we are asking the City to ask Hilco to revise their CSS to address the above points, including re-evaluating their cost analysis in light of all the IRA incentives. We will also advocate that the City evaluate the benefit/cost analysis of offering financial incentives to this development as a "catalyst" development ***IF and only IF*** Hilco can demonstrate that the IRA incentives and monetization of their increased costs for 20 EUI buildings falls short. We suggest this option to demonstrate the City truly holds valid its policies and principles on equity, environmental justice, civility, transparency, respect and service.

Sincerely,

Kathie Hoekstra
EPC Chair

Cc: City Manager and Council

⁶ Dominion's renewable energy rider (TRG) currently costs \$4.21/Mwh or .398Kwh for commercial customers. Combining solar panels and green roofs have been shown to make the panels more efficient. (Source)



DRAFT ALEXANDRIA CITY CY22 STRATEGIC PRIORITIES

The principles of equity, environmental justice, civility, transparency, respect, and service shall apply to the following priorities and guide the direction of staff and policy decisions.

Recover from the COVID-19 Pandemic

We will advance the policies, practices, and resources needed to ensure a healthy, resilient, and equitable recovery for all residents and businesses.

Define our Community Engagement Approach

We will use both new and traditional outreach methods to ensure that engagement is efficient, effective, and accessible to all stakeholders, creating a clear connection between community input and its impact on policy decision, infrastructure needs, and financial considerations.

Develop a Compensation Philosophy

We will establish a new compensation philosophy to ensure we are the preferred workplace of choice and that our employees feel valued.

Provide Diverse Housing Opportunities

We will reconsider our zoning model and pursue other tools to facilitate an Alexandria housing economy with the necessary range of price points, safe and sustainable housing options, and the associated services to meet the needs of a thriving city.

Seek Tools to Foster Economic Development (see language in staff report) We will seek out and consider budgetary, land-use, and regulatory tools to foster sustainable and equitable development, diversify revenue, and allow greater investment in our infrastructure.

Support Youth and Families

We will explore how to expand academic, social, and emotional services and physical supports to all youth during the out-of-school time hours.

Our core services are always at the forefront to ensure that we are accountable and support a safe, vibrant, and liveable community.



INTEGRATE SOLAR

