



MEMORANDUM

TO: David A. Hulseberg, Village Manager

FROM: William Heniff, AICP, Director of Community Development

DATE: January 21, 2010

**SUBJECT: BOBA Recommendation – Text Amendments to the Building Code;
Residential Energy Code**

At the December 16, 2009 Board of Building Appeals (BOBA) meeting, BOBA discussed the recently adopted regulations to the state Energy Efficient Commercial Building Act (Public Act 09-0778). The regulations amend the previously adopted Energy Commercial Building Act and establish energy code provisions for residential buildings, in addition to structures previously regulated through the code. Municipalities are obligated to enforce the provisions set forth within the Act and municipalities cannot establish regulations that are more restrictive or less restrictive than those provisions set forth in the Act, unless those provisions were established prior to the new state regulations.

Staff undertook a review of the provisions set forth within the Act and offered the attached summation for BOBA discussion purposes at their December 16, 2009 meeting. Staff reviewed these applications with BOBA and discussed how these mandates would be administered in the Village. Key elements are:

- Builders will be mandated to undertake broad energy saving evaluations as part of new residential construction and residential addition activities. Staff also noted how such activities will be undertaken to meet the state mandate while providing reasonableness to the development community.
- Inspection staff will also be required to undertake reviews of new residential construction projects or additions to ensure that the Act's provisions are being met. Staff will be examining this issue further to determine whether this will necessitate a separate inspection or whether this item can be reviewed concurrent with other inspection activities.
- New windows will need to meet energy requirements. A broad interpretation of the state mandate would necessitate the Village to regulate and inspect all new windows or window replacements for compliance with the energy code provisions.

- The state's Capital Development Board has been tasked to adopt the Act's provisions and establish the applicability provisions. Staff anticipates that this activity will be completed in early 2010 in order to meet the Act's mandate. However, staff and BOBA are recommending that Village Code reflect the Act's provisions by reference in order to provide the development community with a comprehensive listing of all pertinent regulations pertaining to new construction.
- BOBA raised concerns about the additional costs associated with the new regulations. While one source (The Midwest Energy Efficiency Alliance) estimates that the new regulations would save homeowners \$267-\$667 annually on energy costs, this cannot be confirmed. BOBA discussed this issue and noted there would be additional costs associated with the new construction. Staff notes that the cost benefits associated with energy conservation or payback period for the mandates cannot be readily made. It was noted at the BOBA meeting that the new requirements may increase the construction cost of a new residence by 7 to 10 percent.
- From a code amendment standpoint, the text amendment to Section 150 of the Village Code would be adopting the latest edition of the International Energy Conservation Code.

ACTION REQUESTED

Please place this item on the January 21, 2010 Village Board agenda for consideration and approval. BOBA recommends that the Village amend Section 150: Building Code to establish applicable references to the Residential Energy Code provisions set forth within Energy Efficient Commercial Building Act.