



TO: Senate Committee on Business & General Government

FROM: Curt Wilson

DATE: April 6, 2018

RE: Support for HB 2496

Chair Helm and members of the committee. My name is Curt Wilson and I'm an architect from Eugene; in house district 8. I'm a principal at PIVOT Architecture, and I lead the legislative activities for our professional association, the American Institute of Architecture in Oregon. Along with my colleague, Chris Forney, I'm here to speak in support of the bill and the dash 3 amendments. Chris and I are both architects and leaders of the legislative committee for AIA Oregon, and we'll offer our own unique perspective on the Green Energy Technology requirements. I want to stress that our combined views provide a better understanding of the diverse experiences and opinions of our members. While we arrive at our position from different places, we both support the overall requirement and the proposed amendments to HB 2496.

AIA Oregon and PIVOT Architecture support the current requirement of 1.5% of project budgets for public improvements in Oregon, however, the implementation of the requirement is challenging on many projects. The improvements in the dash 3 amendments of HB 2496 goes a long way to remove impediments to successful implementation of the requirement by increasing the threshold.

Many of our clients incorporate sustainable goals on their projects that align with their values. For these clients, the current requirements, particularly the requirement of 1.5% of development costs provide guidance for something they choice to do anyway. However, many other of our clients either don't know about the requirements, or don't understand how to incorporate, and they don't see the inclusion of renewable resources as a primary purpose of their projects. Therefore, a result is that these clients put a lot of their effort in finding ways to not incorporate the requirement. My support of HB 2496 and the dash 3 amendments is based on this situation; smaller projects with questionable long-term benefit from green energy technology improvements will be removed from the requirements, and those remaining will be in better position to incorporate green energy technology improvements because the scales will more aligned.

The work of my firm is primarily in the public sector and most of that is renovation work, including fire station renovations, and school improvement projects. The Seismic Rehabilitation Grant Program and Oregon School Capital Improvement Matching program – or - OSCIM, along with local bonds and generally good economy have provided essential funding to our local communities to address decades of deferred maintenance requirements and operational improvements to many public buildings. While the funding is great to have, it often isn't enough to cover their needs.

However, solar power or other forms of green energy technology are not priorities for these projects, and incorporating a relatively small amount of solar power systems into an existing building and electrical system is challenging. The provisions of increasing the threshold from \$1 mil to \$5 mil, and removing SRGP funded projects from the requirement along with the current requirements for determining the applicability of existing buildings will refocus the program primarily on new buildings and new additions will focus the program on new buildings and significant additions.

Unfortunately in today's construction market, \$1 mil is a small project, but \$5 mil projects will have more resources to understand and properly incorporate the requirements. The early design and planning efforts necessary to implement the requirements has a cost, however the cost isn't directly proportionate to the costs of the project. In other words, the early planning work for small projects costs about the same for large projects.

Solar on roofs is relatively straight forward on new projects, but can be very challenging on existing building. The increase in the threshold will remove smaller renovation projections from the program requirements.

Another provision of the bill is to define cost that the basis of the threshold. We support the inclusion of this detail in the bill.

We expect that the changes reflected in the dash 3 amendments will lead to requirements that are more appropriate for public agencies and conducive to apply, therefore the need for penalties incorporated through amendments are not necessary and counter-productive. If there are challenges in implementing the requirements, AIA Oregon would like to work with the Oregon Department of Energy and associations representing public agencies in developing training and educations.

In summary, AIA Oregon supports HB 2496 with the dash 3 amendments.

Sincerely,

Curt

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