

From: "Christian Astiz" <castiz@ctaengineers.com>
To: <eshingara@rockvillemd.gov>
Date: 03/06/2012 10:07 AM
Subject: Green building Tax Credit

Hi Erica;

I just wanted to see how the meeting went yesterday, and the timetable for the planned implementation of the high performance tax credit.

Thanks!



Christian Astiz, MBA, P.E., LEED AP
Vice-President, Business Development
Direct: 301-637-0061
Main: 301-762-7172 Fax: 301-762-7174
E-mail: castiz@ctaengineers.com Web: www.ctaengineers.com

Submitted at the Mayor and Council Meeting on March 5, 2012

Good evening. My name is Clark Reed and I've been a resident of Rockville for ten years. As a recently appointed commissioner, I am here tonight on behalf of the Environmental Commission in support of the High Performance Building Tax Credit for Existing Buildings.

For the past two years, the commission has worked with the Chamber of Commerce to craft a tax credit that would promote healthy, affordable, and environmentally responsible commercial buildings by encouraging owners and managers to improve operations and maintenance, and invest in energy efficient equipment.

It is our recommendation that the City pass this tax credit for the fiscal year 2013 budget. While there are many environmental and public health reasons for encouraging green, energy efficient buildings, I would like to highlight the economic ones.

More green buildings would provide higher tax revenues for the City in the long term, stronger more resilient businesses, and spur more job creating investments.

The U.S. EPA estimates that 30% of the energy in a typical building is used unnecessarily. So test this out: When you drive home tonight,

count the number of office buildings with most of their lights on. And realize that's just the tip of the iceberg. There are hundreds of low cost opportunities to save energy if we only look. And when we find them, the energy savings fall directly to the bottom line. Businesses become stronger and are better able to weather economic downturns.

Numerous independent studies over the past twenty years show that green buildings enjoy higher ^{rental and} occupancy rates and better renewal rates on leases, compared to non-green buildings, because they're more comfortable, enhance employee productivity, and cost less to operate. Given that rental rates play a key factor in commercial property assessment, the proposed tax credits could lead to increased revenue for the City in the long term when the tax credits expire.

The tax credit could give the City a competitive advantage in terms of economic development. It would provide property owners an additional incentive to invest in Rockville buildings, which may be an important factor for firms that own multiple buildings in Montgomery County. In addition, buildings that are eligible for the tax credit would also meet Federal green leasing requirements that require Federal agencies to sign leases only in energy-efficient buildings, such as those designated by the U.S. EPA's ENERGY STAR® program.

With all these advantages, why aren't more building owners connecting the dots? There are lots of barriers – financial, operational, and technical. One of the most common is simply that organizations are not historically accustomed to managing energy. Businesses have all kinds of accounting protocols to track cash and other assets; they might have an entire department set up to track \$20 receipts, but have no clue about where their \$80,000 in annual energy expenditures goes. Because it's not tracked or managed, energy is seen as a fixed cost of doing business - not something that can be reduced.

Rockville can change the calculus by passing a high performance building tax credit. The Environmental Commission stands ready to work with the mayor and council on this issue. Thank you for your time.

From: "Alan Kaplan M.D." <Doctorask@comcast.net>
To: <eshingara@rockvillemd.gov>
Date: 03/04/2012 11:42 AM
Subject: Green building tax credit

Will this new law apply to existing LEED buildings, such as Ingleside at King Farm, a LEED building.

Alan S. Kaplan M.D.
Resident of Ingleside

From: Dee Schofield <deeschofield@westat.com>
To: "eshingara@rockvillemd.gov" <eshingara@rockvillemd.gov>
Date: 02/21/2012 01:33 PM
Subject: Proposed Green Building Tax Credit

We appreciated getting the press release about the upcoming hearing on the proposed green building tax credit. But when I clicked on the link to the city website included in the release, I couldn't find the proposal (just information on the current Green Building Program). A search for it didn't turn up anything current.

Sorry if I'm missing something that I should be seeing. Could you please help steer me to the right site?

Thank you for your time -

- Dee Schofield

Westat
(301) 251-8235
deeschofield@westat.com

From: "Frank Sullivan" <fjsull231@verizon.net>
To: <mayorcouncil@rockvillemd.gov>
Date: 01/30/2012 08:54 AM
Subject: Gazette Article: Staff Raises & Green Building Tax Credit

Assuming the facts in the article in the January 26 Gazette are correct, I am writing to express my support for the staff raises, and to request more information about the tax credit.

With respect to the staff raises, I have read that a number of states are doing across the board pay raises in the 1-3% range. The idea is that public employees have get a modest amount that will help a little bit in paying their bills, and that they get some modest acknowledgement of their value as employees of the public.

Mayor Marcuccio and Councilwoman Newton, I find your position at this straw poll phase to be inexplicable, and frankly a slap in the face for City employees. The staff are the people that Rockville citizens deal with all the time -- at recreation facilities, registering to vote, on the phone with questions on everything from permits, trash and recycling, trees, parks, you name it. My experience is that staff are unfailingly pleasant, responsive, and prompt. A niggardly stance on this issue is not warranted.

Councilwoman Newton, I hope your remarks as quoted are incorrect. The musing that a one percent raise "may prove insensitive" in a tough economy implies City staff are coping just fine with rising gas and food prices. Are you sure? "We're looking to be more equitable" by spreading any possible raise out differentially across pay grades? What could be more equitable that the same thing for all employees? .

With respect to the green building tax credit, I would appreciate more information on this. I would like to know more about how much this might end up costing the City in lost tax revenue, and why it is thought that Rockville needs to do this in addition to the County.

Frank Sullivan, College Gardens