



Ask Congress to Cosponsor S. 3079/H.R. 5476 to Create the BuildingSTAR Program

As Congress continues to pursue legislation intended to create jobs, the AIA is working with legislators to advance policies that will stimulate work for the architecture profession and invigorate the design and construction industry. We need your help to build support for one such proposal that would promote energy-efficient renovations in commercial buildings.

Specifically, Sen. Jeff Merkley (D-OR) and Rep. Peter Welch (D-VT) have introduced [S. 3079/H.R. 5476](#), legislation that would create a new federal program known as [BuildingSTAR](#). Under the BuildingSTAR program, building owners would be able to receive rebates and low-cost financing options for energy-efficient renovations in existing buildings. This would provide a financial incentive for building owners to improve the energy efficiency of their buildings and would also stimulate work across the design and construction industry.

Congress is currently in the process of writing legislation designed to create jobs. There is a good chance that the BuildingSTAR proposal will be included in the new jobs bill but in order to increase its chances of advancement, we need to build as much support for BuildingSTAR as possible. Therefore we ask for your help in contacting your Senator and encouraging them to sign onto BuildingSTAR as a cosponsor.

In addition, the AIA supports including a provision in BuildingSTAR that would provide a rebate for the preparation of construction documents and plans (see page two).

Talking Points on the Importance of BuildingSTAR:

The commercial design and construction sector has been especially hard-hit in the recession:

- Construction industry unemployment is close to 25 percent.
- The architecture industry has shed 18 percent of its workforce from 2008 to 2009, according to U.S. Department of Labor.
- The most recent Architecture Billings Index shows continued weakness; while stimulus is helping a bit, the slow pace of moving funds through the pipeline means that many projects have not been funded.

BuildingSTAR targets benefits to this industry:

- The BuildingSTAR program would create 25,000 jobs in 2010 for every \$1 billion of federal investment for the hard-hit industry; a \$6 billion federal investment in BuildingSTAR would create at least 150,000 jobs.
- The program maximizes federal investment by leveraging \$2-\$3 in private investment for every federal dollar spent.
- It would provide direct benefits to thousands of small businesses, including the 91 percent of commercial contractors that have fewer than 20 employees and 95 percent of architecture firms with 50 or fewer employees.
- It uses a simple application process so that building owners can participate easily.
- BuildingSTAR would deliver real energy savings and greenhouse gas emissions reductions, because of the typically large size and scope of commercial and multi-family building retrofits.
- It was developed by a coalition of more than 60 design/construction groups, unions, contractor groups, manufacturers, financial services companies, and efficiency advocates.

The AIA proposal makes sure that building owners have the ability to meet state/local building codes and ensures quality of work by providing rebate for preparation of construction documents:

- The AIA proposal has been endorsed by the Real Estate Roundtable, US Green Building Council, Int'l Council of Shopping Centers, BOMA, and the American Council of Engineering Companies.
- No opposition that we are aware of.

The AIA asks Senators to co-sponsor S.3079/H.R. 5476 to stimulate the design and construction industry.

BuildingSTAR: Proposal for Rebate for the Preparation of Documents

Supported by:

American Institute of Architects (AIA)

U.S. Green Building Council (USGBC)

Real Estate Roundtable (RER)

International Council of Shopping Centers (ICSC)

Building Owners and Managers Association International (BOMA)

American Council of Engineering Companies (ACEC)

Our organizations support the BuildingSTAR proposal to provide rebates for energy efficient upgrades to commercial buildings.

Currently in the proposal there is a gap between performing a performance audit and actually implementing the retrofit project.

Especially for larger commercial buildings, the kinds of retrofits that would be allowed under the plan often require complex changes to building systems and potential structural changes as well (replacing an HVAC system, for example, will impact mechanical, structural, electrical and plumbing systems). These changes require the preparation of detailed construction documents, specs and scopes of work to ensure that the changes can be made in ways that meet building codes and do not unduly impact other building systems.

This intermediate “phase 2” document preparation can be expensive; an owner typically has to front the cost of the preparation of the specification and the administration and evaluation of the bids. These costs can be as much as 10% of the total project cost, and can pose a major barrier to project implementation. However, it is vital to ensure that the projects are performed to code and done in correct ways that protect the health, safety and welfare of the public.

Therefore we propose that a rebate be allowed under the program for this activity. We propose adding the following language to BuildingSTAR:

Sec. 3(d)

(7) Preparation of Plans. -- For the preparation of plans for the installation of equipment described in 3(b) and 3(c), including construction documents, specifications, blueprints, and scopes-of-work, prepared by individuals licensed in the state to prepare such plans, a rebate equal to the lesser of:

- (i) \$0.05 per square foot of building space, or
- (ii) 50 percent of the cost of the preparation of documents.

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