



COUNCIL COMMITTEE REPORT

OPEN SPACE, ENVIRONMENT AND SUSTAINABILITY COMMITTEE

Date: October 28, 2015

Agenda Item #: 6

Agenda Item: Amendments to City Code Chapters 25-11, 15-6 and related 15-6 Administrative Rules regarding recycling and reuse of materials generated by building and demolition permits.

Vote 2-1-1. CM Garza was off the dais and CM Zimmerman voted against.

Sponsors/Department: Austin Resource Recovery

Summary of Discussion

Woody Raine presented a background on the City's current programs and policies related to the recycling of construction and demolition materials. Raine then described the proposed amendments to City Code. Raine also went through the development of the draft ordinance per Council resolution No. 20100930-023, which directed the City Manager to investigate all C&D sites to recycle or salvage and create incentives for recycling and salvaging.

Raine explained how in previous years recycling of construction materials was done through methods of source separation and on-site separate containers for the various materials. Most job sites, however, do not have the extra space for additional containers. Due to these obstacles the local industry has evolved to where the materials have been comingled, where it then becomes dependent upon the haulers and processors to setup a system to sort the material at an offsite facility. The C&D recycling onsite makes the process cost effective in a way that does not affect the building process and can be operated on the jobsite.

Raine further explained that City staff has examined existing markets to help identify the potential for market development within the local community. This research also included input from external stakeholders and other City departments considering their interactions with development in the City. Some of the feedback included ways to minimize the impact on permitting applications and to better understand the fiscal impact of recycling and salvaging.

Based on the input and research, staff was able to fine tune a draft ordinance, which includes amendments to Land Development Code chapter 25-11 and also to the solid waste services code chapter 15-6. LDC 25-11 defines the types of building projects that would be affected in terms of diversion requirements, reporting requirements, and penalties for not reporting or meeting diversion requirements. In addition, it also builds on currently existing reporting requirements for private haulers and establishes a new program that staff is calling qualified processors. The qualified process feature stems from the green building initiative in order to reduce processing

and administrative costs and to divert construction materials from landfilling. The ordinance resembles the Construction Waste Managing requirements for commercial, multifamily and Two Star single-family ratings from the Austin Energy Green Building program.

The draft ordinance would affect new construction beginning October 1, 2016, which are construction projects over 5,000 sq.ft.; it would delay any affect to commercial demolition projects to 2019. The remainder of the ordinance is the administrative aspects, which states how an affected project would report to the City in terms of how much they're diverting and how much they're disposing so the City can verify their compliance with the 50% diversion or 2.5 pounds per sq.ft. disposal; the penalty for noncompliance would be a Class C misdemeanor. To keep the ordinance flexible, it includes a waiver request from the diversion requirements based on the materials.

According to the Affordability Impact Statement, the proposed code amendments will results in increased development costs. Austin Resource Recovery estimates the increased costs to be an average of \$20 per ton of disposal or \$.08 per square foot of disposal. Increases in these development costs may have a negative impact on the production of affordable housing as the rental rates and sales prices of housing are impacted by the overall cost to develop housing. However, any housing development that meets basic Austin Energy Green Building requirements is currently meeting the proposed construction and demolition requirement of diverting 50% of materials for processing rather than landfill disposal. Income restricted affordable housing that is built under the City's developer incentive programs or development agreements such as S.M.A.R.T housing, University Neighborhood Overlay Density Bonus, Downtown Density Bonus, Planned Unit Developments, and the Mueller Development are required to meet Green Building standards are therefore will not be affected by the proposed amendment.

- *Construction cost impact*

Council Member Zimmerman asked for clarification of the floor area and additional costs assumed. Raine explained that Austin Energy's green building projects report the quantities of material that is disposed or diverted. Staff is then able to review those numbers and compare it to the square footage of the project.

- *Historic properties*

MPT Tovo shared concerns regarding the demolition of aging properties where none of the materials have been salvaged, which could be used on older properties. MPT Tovo then asked if the proposed ordinance amendments would protect those homes. Staff explained that the proposed amendments would not interfere with what's currently being practiced. Staff wants to ensure that reuse is also included towards the diversion rates and not just recycling. Additionally, the Austin Resource Recovery Department has a partnership with the City's Economic Development Department to support the reuse of materials, which is known as the Austin materials marketplace. Staff explained that they will work towards finding a way to address the concerns of recovering high value material and in smaller buildings, as opposed to the commercial projects addressed in stakeholder feedback.

- *Code restriction against using salvaged lumber yard*

MPT Tovo asked the speaker, Mr. Ross Rathgeber, if there are any cities that allow for salvaged lumber to be used to construct buildings. Rathgeber explained that he is not certain which cities allow that but he believes it's something that Austin should consider since it is the greenest things to do versus cutting down more trees. He further explained that a lot of the lumber can be used for mulch but it is prohibited to be counted as fuel.

Public Comments

Ross Rathgeber spoke in favor.

Direction

The item will move forward to Council. MPT Tovo included the caveat to considering the lag in time for demolition before a final vote is made at Council.

Recommendation

Approval to recommend the proposed amendments to City Council was made on MPT Tovo's motion and on CM Pool's second.