### Minnesota Sustainable Building Guidelines

Review and Recommendations

#### Current Minnesota Sustainable Building Guideline (B3) Program Goals and Statute

In 2001, the Legislature mandated the creation of sustainable building guidelines for certain capital construction projects that receive general obligation bond funding from Minnesota. The guidelines originally applied only to new building projects; however, in 2008, the Legislature amended the law to include major renovations. According to Minnesota statutes, the sustainable building guidelines "are mandatory for all new buildings...and for all major renovations receiving funding from the bond proceeds fund...." In other words, all new buildings and major renovations that are funded in part or in whole with general obligation bonds must adhere to the guidelines. The Legislature can and has chosen to require that projects receiving funding through other funding sources follow the sustainable building guidelines.



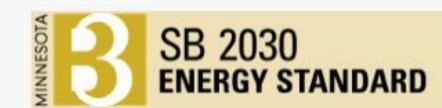
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Design of New Buildings and Renovations



Use B3 Guidelines on new buildings or renovations to meet sustainability goals for site, water, energy, indoor environment, materials and waste.



Use the SB 2030 Energy Standard to meet energy use goals only. If the B3 Guidelines are used, the SB 2030 Energy Standard is automatically included in the process.

Operation of Existing Buildings



Use B3 Benchmarking to track and compare energy use on existing buildings. The B3 Guidelines and SB 2030 Energy Standard direct the user to the B3 Benchmarking tool.



Use B3 Energy Efficient Operations to minimize energy use during building operations. This program can be applied to any existing building.



Use B3 Post Occupancy Evaluation (POE) to determine occupants' perceptions of the buildings' indoor environmental quality. The POE survey is required for B3 buildings.











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In the 2023 Legislative session, a bill was passed

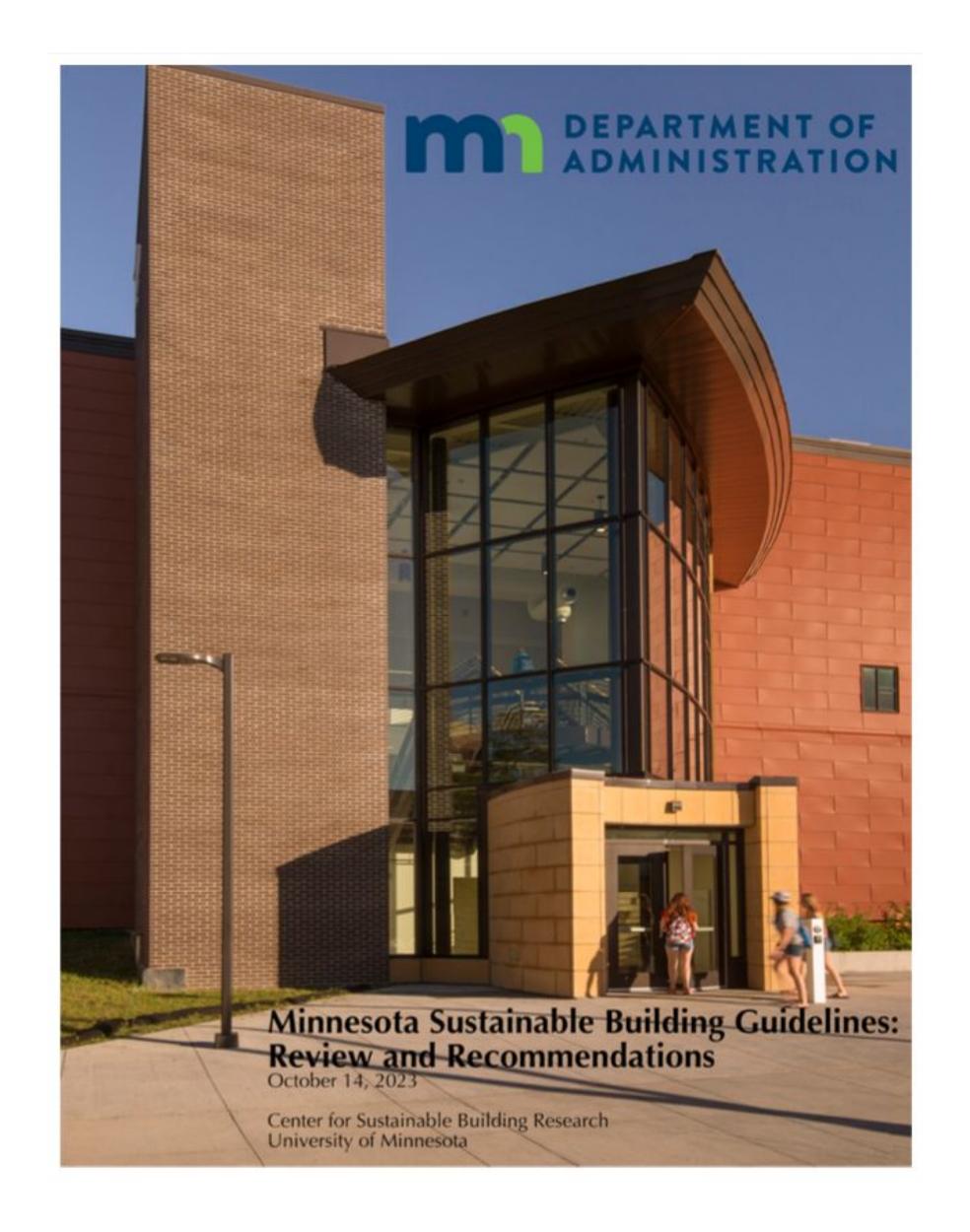
"...To develop recommendations for updating goals, measuring project performance in meeting the goals, applicability, compliance, waivers, outreach, and administration of the sustainable building guidelines under Minnesota Statutes, section 16B.325, in collaboration with the commissioner of Commerce and the Center for Sustainable Building Research at the University of Minnesota. The commissioner of Administration may contract with the commissioner of Commerce and the Center for Sustainable Building Research at the University of Minnesota for assistance in developing the recommendations, including obtaining input from public owners, nonprofit owners, design professionals, and other stakeholders. The commissioner of Administration must provide a report of findings and recommendations to the chairs and ranking minority members of the legislative committees with jurisdiction over capital investment, energy finance and policy, and environment finance and policy on or before October 15, 2023."

# Minnesota Sustainable Building Guidelines Review and Recommendations

# Scope of this Report to the Legislature, October 15, 2023

This report is organized into the following sections as outlined in the legislation from the 2023 session based upon work and findings based upon the process of working with stakeholders outlined at the end of the Introduction:

- Updating Program Goals and Measuring Performance
- Applicability
- Compliance and Waivers
- Outreach and Training
- Administration
- Resources and Support



# **Process**

- Survey to 2500+ (B3 Listserv, AIA Minnesota and other channels)
- Four focus groups with:
  - Design Teams and contractors
  - State Agencies and other Owners
  - Advocacy Groups
  - Integrated group
- Additional meetings with stakeholders to address representation gaps
  - Greater Minnesota Design Teams and contractors
  - Small design teams, contractors and owners of non-profit/municipal projects
  - Subcontractors, suppliers, trade associations, environmental groups, green building organizations, state agencies and labor unions

# Findings

# Existing statutes:

- have not been updated for the administration of the Minnesota Sustainable Building Guidelines (B3) program
- are complicated and confusing in the requirements of B3 for projects
- do not include education, training, compliance tracking and waiver/scope determinations

#### Other

- Project Owners do not understand their responsibilities
- Funding has not been updated for inflation
- The B3 program provides many benefits for not only state construction, but also the broader industry in Minnesota

# Recommendations

- Update statutes to have the Department of Administration oversee and administer the program.
  - Accountability / Waivers / Scope Determinations
  - Compliance tracking and report
  - Accountability / Waivers / Scope Determinations
  - Compliance tracking and report
- Streamline the B3 Goals and Application
  - Project minimum size
  - Common definition for new, renovation and additions
  - Refine and simplify the B3 Guidelines
  - Report key performance indicators to revised legislatures goals
- Create education, training and compliance tools to support project owners and design teams
  - Online education and training by project role
  - New education and training for Project Owners and first time participants
  - Updated project tracking tool and resources to streamline design and review

# **Current Work based on Recommendation**

- Exploring updated program goals, measuring performance and refined guidelines.
- Review of the impact of creating a minimum size for project applicability
- Developing standardized practices for reviewing project documentation to address B3 team time for project approvals. (This will not address owner education)
- Statute changes and additional funding required to address other recommendations