July 11, 2010

Mayor Richard J. Berry
City of Albuquerque
1 Civic Plaza
Albuquerque, NM 87102

Dear Mayor Berry:

NAIOP, the Commercial Real Estate Development Association, recommends that the City of Albuquerque adopt the 2009 International Energy Conservation Code (09-IECC), replacing the existing 2009 Albuquerque Energy Conservation Code (09-AECC). Following are 4 talking points in support of this position. Attached is the back-up verification for these talking points.

Talking Point 1: **Energy Conservation Comparisons between the 2 Codes-**
It is the consensus of engineers, contractors and architects who reviewed the attached comparisons, that 09-AECC and 09-IECC are comparable in terms of energy conservation savings for commercial buildings.
In addition, by adopting the most recent version of the IECC (09-IECC) rather than continuing to use the 09-AECC (which is based on the outdated 06-IECC), contractors, engineers, and owners are allowed to take advantage of the increases in efficiency, updates, clarifications, and lessons learned since the 2006 IECC was published.
(NOTE: **No third-party, private sector modeling was done on the 09-AECC. Hence, there is no third-party verification that the 09-AECC achieves a 30% improvement over base 06-IECC.**)

Talking Point 2: **Cost Comparisons between the 2 Codes-**
Local contractors, engineers and architects created a construction cost comparison on 2 hypothetical commercial buildings, using both the 09-AECC and the 09-IECC. Even though the energy conservation savings are comparable between the two codes, the cost comparison reveals significant differences in costs to build to the 2 codes.
A 25,000 square-foot warehouse, costs **$91,180.54 more to build on the 09-AECC (5% higher)** than on the 09-IECC. A 25,000 square-foot office building costs **$160,727.94 more to build on the 09-AECC (7 percent higher)** than the 09-IECC. This has significant implications for job creation and competitiveness with surrounding municipalities.

Talking Point 3: **Problems Inherent in the 09-AECC-**
In the 09-AECC, the City of Albuquerque attempted to increase energy conservation savings by adding requirements to the 2006 International Energy Conservation Code. However, they did so without going through the extensive vetting process by 1000's of professionals that is typical of the International Code development process and without performing any third-party modeling on the enhanced requirements.

The resulting code contains significant problems, both in terms of costs, availability of product, and other unintended consequences. The attached examples illustrate a few of these problems. The attached report looks at the problems created by the glazing requirement for overhangs, the lighting charts and the requirement for reflectance of interior surfaces.

Talking Point 4: **Competitiveness with surrounding cities and surrounding states-**
Albuquerque is the one of the only cities in New Mexico that is not enforcing a base national code for energy conservation. Albuquerque is also not competitive with the adopted codes in surrounding states and cities. The 09-AECC is not only more expensive in terms of construction of commercial buildings, but is also more problematic in terms of idiosyncratic mandates that are not scientifically supported, hinder the use of alternative energy-saving options, and require materials or equipment that are often hard or impossible to obtain. The result is that relocating and expanding businesses may be forced to choose to locate outside of Albuquerque based on common-sense financial reasons.

Please review the attached materials that support these talking points. NAIOP is available to discuss these points in more detail and provide additional supporting documentation if needed.

Again, we urge the adoption of the base 09-IECC for energy conservation best practices, for financial considerations, and to keep Albuquerque competitive in attracting new and expanding companies that create jobs for our citizens.

Sincerely,

Lynne Andersen, President
NAIOP, the Commercial Real Estate Development Association