EXHIBIT A, RESOLUTION NO. 20141211-XXX DRAFT CONSTRUCTION MATERIAL MANAGEMENT ORDINANCE INTENT (11/3/14)

Ordinance Concept:

Initially, affected projects must either:

- Dispose 2.5 pounds per square foot or less, or
- Divert 50% or more of the C&D materials generated

Note: *Italicized* terms are defined at the end.

1. Affected Projects

- 1.1. Demolition projects
 - 1.1.1. Commercial and multifamily projects
 - 1.1.2. By 2020, include all residential projects
- 1.2. New construction or renovation projects
 - 1.2.1. Projects permitted for more than 5,000 square feet
 - 1.2.2. By 2020, projects permitted for more than 1,000 square feet
- 1.3. Exempted projects
 - 1.3.1. Projects that require only a single trade (e.g., plumbing, electrical, mechanical, irrigation)

2. Requirements for Affected Projects

- 2.1. Permittees for affected projects shall meet one of the following requirements:
 - 2.1.1. *Project Disposal Rate* Dispose less than or equal to the following weights of C&D *Material* per permitted area:
 - 2.1.1.1. 2.5 pounds per square foot
 - 2.1.1.2. <u>1.5 pounds per square foot in 2020</u>
 - 2.1.1.3. 0.5 pounds per square foot in 2030
 - 2.1.2. *Project Diversion Rate* Divert to *Beneficial Use* greater than or equal to the following percentages by weight of the *C&D Materials* generated by the project:
 - 2.1.2.1. 50% in 2015
 - 2.1.2.2. <u>75% in 2020</u>
 - 2.1.2.3. <u>95% in 2030</u>
 - 2.1.3. Prior to the effective dates in 2020 and 2030 for the Project Disposal Rate and Diversion Rates, City staff will provide the City Council with:
 - 2.1.3.1. <u>An economic impact statement for household affordability, the intent being that</u> <u>the cost of housing should not be significantly affected by the increased rate of</u> <u>diversion; and</u>

- 2.1.3.2. An economic assessment of the markets for construction and demolition materials, the intent being that significant amounts of C&D materials ought not to be stockpiled in the area with no foreseeable reuse in the short term; nor should C&D materials be subject to long distance transport to find a market.
- 2.2. Acknowledgement/Affirmation Permittees shall [acknowledge/affirm] on the building permit application that the project is subject to and will meet the diversion requirements in this Section 2.
- 2.3. Post-Construction Report After the project is complete, the Permittee shall report the following to the City:
 - 2.3.1. For Projects delivering *C*&*D Materials* <u>only</u> to *Qualified Processors*:
 - 2.3.1.1. Documented tons of *C&D Materials* or *Building Components* generated by the project and delivered to *Qualified Processors*
 - 2.3.1.2. Facility-Average Diversion Rate for each Qualified Processor at the time of delivery
 - 2.3.2. For other Projects, documented quantities of each load of *C&D Materials* or *Building Components* generated by the project and handled in each of the following ways:
 - 2.3.2.1. Onsite Beneficial Reuse
 - 2.3.2.2. Delivered to processors or end-users and diverted for Beneficial Use
 - 2.3.2.3. Delivered to processors or end-users and disposed
 - 2.3.2.4. Delivered directly to disposal facilities
 - 2.3.3. Project Disposal Rate, if the Project meets this requirement
 - 2.3.4. Project Diversion Rate
 - 2.3.4.1. For Projects delivering C&D Materials <u>only</u> to *Qualified Processors*, the Project Diversion Rate is the weighted average of the *Facility-Average Diversion Rates* for the *Qualified Processors* at delivery.
 - 2.3.4.2. For other Projects, the Project Diversion Rate is calculated as the tons of *C&D Materials* or *Building Components* diverted for *Beneficial Reuse* onsite or offsite divided by the total tons generated by the project
 - 2.3.4.3. Tons of materials delivered to a *Qualified Processor* and diverted for *Beneficial Reuse* shall be calculated as the tons of materials delivered to the *Qualified Processor* times the *Facility-Average Diversion Rate* for the *Qualified Processor* at the time of delivery.
- **3.** Haulers In addition to the requirements of §15-6-44, a licensed hauler shall report the following to the City semi-annually:
 - 3.1. Tons of material, not including *C&D Materials*, that it hauls directly to each of the following:
 - 3.1.1. Landfills
 - 3.1.2. Recycling facilities
 - 3.1.3. Mulching or composting facilities
 - 3.2. Tons of *C&D Materials* that it hauls directly to each of the following:
 - 3.2.1. Landfills
 - 3.2.2. End-users or processing facilities

4. Qualified Processors

- 4.1. Meet state permitting and reporting requirements
- 4.2. Report its Facility-Average Diversion Rate to the City of Austin semi-annually
- 4.3. Maintain certification by a city-approved third-party certifying organization (e.g., Recycling Certification Institute), which determines and validates its *Facility-Average Diversion Rate*
- 4.4. Meet a Facility-Average Diversion Rate set by the City of Austin
- 5. C&D Diversion Penalty A project that disposes more than the disposal rate requirement and diverts less than the diversion rate requirement shall pay a C&D Diversion Penalty, which is the greater of:
 - 5.1. <u>\$Flat Dollar Rate</u> for every ton of difference between the amount that the project should have diverted to meet the diversion rate requirement and the amount actually diverted
 - 5.2. For projects with <u>xx</u> square feet or less, <u>\$Flat Dollar Rate</u> for every percentage point of difference between the diversion rate requirement and the percentage actually diverted
 - 5.3. For projects with greater than <u>xx</u> square feet, <u>\$Flat Dollar Rate</u> for every percentage point of difference between the diversion rate requirement and the percentage actually diverted

Definitions (*italicized* in use)

- Facility-Average Diversion Rate The percentage of all incoming material over a period of time that a processing facility diverts for *Beneficial Reuse*
- Beneficial Reuse
 - Includes salvage, reuse, or processing into a material or product with an open market value
 - o Does not include use as a fuel or alternative daily landfill cover
- **Building Components** Doors, windows, fixtures, structural members, architectural parts, masonry, etc.
- Construction or Demolition (C&D) Materials
 - Non-hazardous materials that are directly or indirectly the by-products of construction work or that result from demolition of buildings and other structures
 - Includes, but not limited to, concrete, corrugated cartons, gypsum wallboard, metal, paper, paving, plastics, and wood
 - Excludes excavated soil, stone, and land-clearing debris
- **Project Disposal Rate** Total pounds of material generated by the Project and disposed by a processor or delivered directly to a disposal facility divided by the square feet of the project
- **Project Diversion Rate** Percentage of the *C&D Materials* and *Building Components* generated by the project that were diverted for *Beneficial Reuse* onsite or offsite
- **Qualified Processor** A facility that meets certain third-party certification requirements including documenting its *Facility-Average Diversion Rate*
- **Other terms** These may need either definitions or references to their appropriate use in City Code: alternative daily cover, commercial, multifamily, residential, demolition, renovation, new construction