

Real estate community decries the adoption of "Stretch Energy Code"

May 19, 2009 - Front Section

Several key housing and commercial development organizations, including the Home Builders Association of Mass., NAIOP Massa.s - the Commercial Real Estate Development Association, and Greater Boston Real Estate Board have derided the administration's adoption of the so-called "Stretch Energy Code" by the Board of Building Regulations and Standards. The Stretch Energy Code, promoted heavily by the administration of governor Deval Patrick, imposes stringent new standards of energy efficiency on residential and commercial buildings. These codes can be adopted on a town-by-town basis, ending a 35-year commitment to uniform building standards statewide.

"These optional codes will add thousands of dollars to the cost of new homes and even more to the cost of building commercial space at a time when we want to get the real estate market moving and attract businesses to the state," said Judy Jenkins, president-elect of the Home Builders Association of Mass. "The Stretch Code will apply to new construction of commercial and residential space and to the renovation of existing homes. We are outraged that the board would approve such ill conceived standards."

Among the negative impacts of the adoption of the Stretch Code:

- *The option to adopt the Stretch Code locally results in an inconsistent application of the building code across the state
- *Towns may not have the resources to oversee the effective implementation of new codes.
- *The provisions in the Stretch Code will add significantly to the cost of new construction.
- *The increased costs will negatively impact economic development in Mass.
- *Increased costs and inconsistent regulation provides another tool to NIMBY forces in discouraging developers from working in certain communities.
- "The Stretch Code ends decades of uniformity under the existing building code and is in direct conflict with the goals of the statewide code to provide uniformity, predictability and clarity," said David Begelfer, CEO of NAIOP. "There is no question that the stretch code will drive up construction costs at a time when the real estate industry is struggling and the economy is at a low point."
- "We embrace the concept of energy efficiency, but these code changes are extremely stringent at LEED Gold and Platinum levels. They will be an economic disincentive for all developers," said Greg Vasil, president of GREB.

In light of this current economic crisis, HBAM, NAIOP and GBREB are calling on the administration to reconsider the vote of approval and consider the long-term effects this decision will have on residents and businesses of Mass.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540