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Dear Hilco Partners:

The EPC is pleased that Hilco Partners (Hilco) has reconsidered its Consolidated Sustainability Strategy (CSS) and hopes Hilco, Gensler and ARUP will consider the points raised in this letter. We urge the Planning Commission to ensure it does so in its review of the CSS during its February meeting.

The climate crisis is the single largest threat to the long-term health and prosperity of the City of Alexandria. Today in Alexandria, it is contributing to increased asthma rates in our children, property damage from flooding, increasing energy burden on our most vulnerable, and increasing tax burden to address all of these. It will not be possible to be the caring, kind, compassionate, fair, just, and equitable city that is an affordable, livable community for all if we do not implement effective actions to address this Emergency. This applies to those developing land in Alexandria along with those who live and work in our community.

To respond to the crisis, the City has taken the following actions:

- 1) July 2019, the City adopted a policy of reducing greenhouse gas (GHG) emissions by 50% by 2030 and 80-100% by 2050 in the Environmental Action Plan 2040 (EAP2040).
- 2) October 2019, the City declared a Climate Emergency recognized three critical facts demonstrating the urgency for action:
  - The cost to address emissions today is far less than the cost of not addressing them.
  - The climate crisis disproportionately burdens marginalized populations in Alexandria and worldwide.
  - It is estimated that \$100 million to \$250 million dollars of Alexandria property will be affected by a rise in sea level of one to five feet with many residents displaced, and in declaring the Emergency, the City committed to:
    - “ending Citywide greenhouse gas (GHG) emissions as quickly as possible”
    - “accelerating adaptation and resilience strategies” and
    - “being integral to and in the leadership of the mobilization effort.”
- 3) March 2022, Council set its Strategic Priorities including these principles: equity, environmental justice, civility, transparency, respect, and service. (See attachment 1)

The EAP2040 found that 97% of the GHG emissions come from the **community** and 57% of that comes from energy use in **new and existing buildings**. Minimizing new building emission contributions to this total and retrofitting existing buildings are the two primary measures that will **“move the needle”**, and **are essential to our success in meeting the critical 2030 target**.

Unfortunately, Hilco’s original Zero Carbon plan and its November CSS failed to meet the policy, principles and Emergency Declaration above when it comes to the energy efficiency and sustainability<sup>1</sup> of its buildings. Nor does it address how taking advantage of the incentives provided by the federal Inflation Reduction Act of 2022 will affect the cost and payback period for this development.

The EPC’s primary request is that Hilco significantly reduce the Energy Use Intensity (EUIs) of its buildings. Hilco has retained excellent architects and sustainability development companies in Gensler and ARUP. Constructing buildings with much lower EUI than originally proposed is well within the capability of these firms. Further, the EPC’s hopes that the revision also contains items 2 & 3 below since both are critical to Alexandria meeting its climate policy commitments and principles:

- 1) A plan that employs the current best practice used in large and medium sized buildings in other areas such as Philadelphia and New York<sup>2</sup> to create the most energy efficient buildings. The NY and Philly buildings have demonstrated an Energy Use Intensity (EUIs) for residential, multi-family units of around 20, thus reducing the energy burden on residents by 50% over that proposed in the original CSS with an EUI of 45.<sup>3</sup> By using an EUI of 20 in this development, Hilco could provide units that are more comfortable,<sup>4</sup> more resilient<sup>5</sup>, and less noisy,<sup>6</sup> resulting in happier residents that move less often benefiting building management’s profit margin. In addition, given our electric utility’s recent strategic plan projects electricity costs to increase 53% over 2020 levels by 2030, using the current best practice of an EUI around 20, from the proposed 45, could cut the energy burden to residents in half again by 2030. Lastly, Hilco’s plan to depend solely on a single source of failure (the de-carbonization proposal of our electric utility given the current political environment<sup>7</sup> to meet a zero carbon goal) relies on a strategy replete with disastrous consequences.

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<sup>1</sup> The EPC uses the UN definition of sustainability: In 1987, the United Nations Brundtland Commission defined sustainability as “meeting the needs of the present without compromising the ability of future generations to meet their own needs.”

<sup>2</sup> See <https://www.youtube.com/watch?v=NKLciUsDeUI> and <https://www.youtube.com/watch?v=oHYQkvEBSyA>

<sup>3</sup> Hilco should further check its math when it comes to its showing a 25% reduction in GHG emissions from the GBP (see their slide #20 provided at EPC’s November meeting)

<sup>4</sup> High performance buildings (those that are the most energy efficient) have been demonstrated to be more comfortable (no wide swings in temperature or humidity), less noisy, require less use of pesticides thus improving indoor air quality and many other quality of life standards. See Footnote 2 above for more details

<sup>5</sup> High performance buildings maintain their optimal temperatures during electricals outages for much longer periods making them more resilient. See Footnote #2 above for more information.

<sup>6</sup> Given the proximity to Reagan National Airport, the buildings will likely employ air sealing to reduce the aircraft noise. This will also make them more energy efficient.

<sup>7</sup> Repeal of the Virginia Clean Economy Act may be dependent on the one seat majority in the Virginia Senate

- 2) A plan that does not just address the City's Green Building Policy, but also explains how the development will meet the City's Climate Emergency Declaration, the EAP2040 emissions targets, and Alexandria's Core Principles of equity and environmental justice.
- 3) A plan that details how it takes full advantage of the incentives provided in the federal Inflation Reduction Act of 2022 (IRA). This historic legislation will not help fight the climate crisis if no one takes full advantage of its funding streams. Taking full advantage of IRA funding will significantly reduce increased costs associated with items 1 and 2. In fact, by using the data provided by Hilco and the incentives from the IRA, our calculations show that Hilco could reduce the payback period of the added costs of employing an EUI of 20 for its residential units from 12 to 7.5 years. However, this ONLY includes the square footage incentives and no other incentives provided in the Act. (See attachment 2).

In conclusion, the EPC is pleased that Hilco accepted the EPC comments during our meeting. We are hopeful those comments will be taken to heart when preparing a revised CSS along with the points raised in this letter.

Hilco is in a unique position to take a highly polluting former coal fired power plant and convert it to a near net zero carbon site on this showcase site for the entire Washington metro area to see. We suggest that if our elected and appointed City officials truly mean that every proposal must be reviewed through an equity and environmental justice lens, then no proposal that doesn't take full advantage of the funding streams provided in the IRA should be approved by the City. We must never leave money on the table meant to protect our most vulnerable residents.

Sincerely,

*Kathie Hoekstra*

Kathie Hoekstra  
EPC Chair

CC: Nate Macek Chair of the Planning Commission  
Karl Moritz, Director of the Department of Planning and Zoning