

In the News

Pennsylvania Builder First to Earn New Green Standard's Top Rating

A three-bedroom, 1,900-square-foot model home built by RGB Custom Builders of East Stroudsburg, Pa., is the first recipient of the National Green Building Standard's Emerald rating, the new program's top certification. To earn the Emerald rating, a home must be designed to use 60 percent less energy than a house that complies with the 2006 International Energy Conservation Code (IECC), plus meet other criteria for efficiency, air quality, land use, and the like.

Developed jointly by the NAHB and the International Code Council (ICC), the National Green Building Standard (NGBS) is based on the NAHB's Model Green Home Building Guidelines, first published in 2005. The standard — also known as ICC-700 — was formally approved in January of this year by ANSI, the American National Standards Institute.

Currently more than a thousand projects are in the certification pipeline, says NAHB environmental communications director Callie Schmidt. In addition to the Emerald rating, the NGBS offers Gold, Silver, and Bronze compliance levels. To earn an entry-level Bronze certification, a home would need to use 15 percent less energy than an IECC-compliant home.

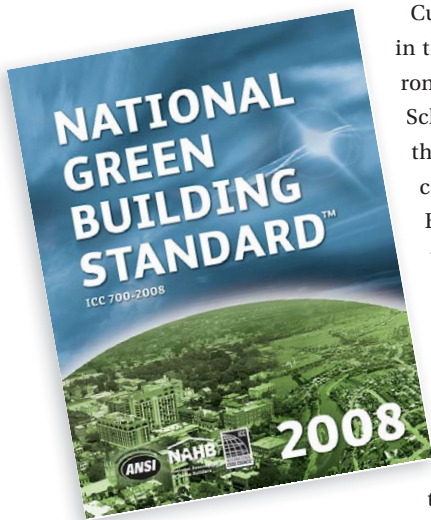
Scoring. Viewed by some energy consultants as a more user-friendly alternative to the U.S. Green Building Council's LEED for Homes (new construction) and ReGreen (remodeling) rating systems, the NGBS can be used to rate all types of residential construction work, including land development, apartments and condos, and remodeling projects, as well as new construction.

Builders use a free online scoring tool (nahbgreen.org/ScoringTool.aspx) to get a preliminary score for their project, earning points in site and lot design, resource, energy, and water efficiency, indoor environmental quality, and building owner education. If the decision is made to certify the project, the builder then submits a formal application to a local third-party verifier who performs rough-in and final inspections of the project. Certification costs \$500 (\$200 for NAHB members); the verification fee is determined by the verifier.

Compared with the old Green Guidelines (which are still actively supported by the NAHB), the new NGBS is considerably more stringent, with its Bronze rating roughly equivalent to the older program's Silver rating. In many ways it aligns more closely with LEED, though some green builders

■ According to the Census Bureau, the average size of a new home at the end of 2008 was 2,438 square feet, down from 2,629 square feet six months earlier. The NAHB expects the trend to continue, citing affordability, shrinking families, and an industry survey showing that nine out of 10 builders plan to build smaller, lower-priced homes. KB Homes, for instance, is building three Houston-area subdivisions with 880-square-foot houses, comparable in size to the original Levittown, N.Y., ranch houses built 60 years ago. KB's micro-mansions list for \$64,000; a 1949 Levittown ranch sold for \$7,990.

■ Michigan wants the EPA's Chicago office to take over its asbestos inspection and compliance program. Currently Michigan contractors have to notify the state Department of Environmental Quality before doing any demolition or renovation involving asbestos. The program — a \$250,000 line item in the DEQ's \$341 million budget — receives about 3,400 notifications a year. Critics of the cost-cutting move say the EPA lacks the resources to do the job. "If nobody's there to monitor, you're going to see a shift to untrained, low-wage workers using improper methods," says Jeff Ditz of the Southeast Michigan Coalition for Occupational Safety and Health.



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argue that the greater number of line items and higher number of available points (1,200 in NGBS vs. 136 in LEED) make the NGBS a more flexible program and should appeal to builders just testing the green waters.

Cost. Bob Brown, president of RGB — the Pennsylvania company that built the Emerald-rated model home (see photo, above) — says that achieving the certification added about \$45,000 to the project's costs, raising the construction budget (not including land) from \$170,000 to \$215,000. He attributes almost half that amount to the home's geothermal



Earning 724 out of a possible 1,200 points, this 1,900-square-foot model home is the first to win the National Green Building Standard's Emerald rating, the program's top certification.

heating/cooling system and energy-recovery ventilation. Flash-and-batt insulation — consisting of a 1-inch layer of high-density foam followed by fiberglass batts — added another \$5,200 to the project. — *Andrew Wormer*

Pulte Homes Buys Centex

Two large home-building companies — Pulte Homes of Bloomfield Hills, Mich., and Centex Corp. of Dallas — announced in April that they had combined, creating the nation's largest home builder. While the companies call the \$1.3 billion stock-for-stock transaction a merger, Pulte shareholders will own roughly a 68 percent stake in the combined business and the company will continue to use the Pulte name and conduct business from Bloomfield Hills. With the \$1.7 billion it acquired from Centex as part of the deal, Pulte doubled its cash reserve and greatly improved its chances of surviving an extended economic downturn.

The Centex portfolio includes a number of buildable lots in Texas and North and South Carolina, giving Pulte a strong foothold in the entry-level market. Many analysts think that first-time home buyers will help drive the housing recovery as they take advantage of the federal \$8,000 tax credit and historically low mortgage rates.

In fact, some industry observers point to the merger as a sign that the housing market has already started to recover. "I can't imagine them making a move like this if they thought things are going to continue to deteriorate," said Paul Puryear of Raymond James & Associates about the two companies in a recent *New York Times* article. In May, share prices of home builders were up slightly from January, with new-home sales continuing to show signs of improvement. The NAHB/Wells Fargo Housing Market Index — a measure of industry confidence — rose from 9 in March to 14 in April and 16 in May. — *A.W.*

■ In an effort to spruce up some of its distressed neighborhoods, a California town has hired a contractor to spray-paint bare spots on the lawns of vacant properties. The contractor uses a water-soluble, environmentally friendly green dye and charges about \$550 per lawn. Since the dye lasts only six months or so, the town is hoping the foreclosed properties are purchased before the lawns need a touch-up.

■ A basement remodeling company once honored by Connecticut's Better Business Bureau faces charges that it ripped off customers and failed to pay subs and suppliers. The charges were brought by Attorney General Richard Blumenthal, who presented Custom Basements owners Nicole Kiesman and Shelly Dacey with the BBB's Torch Award for ethical business practices last fall. Bilked customers say the company used the award to convince them to sign up for remodeling services they never received. Custom Basements has since filed for bankruptcy, blaming tough economic times and citing nearly \$500,000 in debts — but a former sub says the owners spent money on expensive perks like extensive office renovations and company cars. Blumenthal has asked the BBB to explain how it chooses its award winners.

Builders, Firefighters Continue Sprinkler Battle

After more than two decades of heated debate, a controversial fire-sprinkler provision for all new one- and two-family homes was finally voted for inclusion in the 2009 edition of the IRC. But with a January 2011 implementation date looming, fire-safety groups are accusing home builders of trying to preempt adoption of the code change by introducing antisprinkler legislation at the state level.

Both Idaho and North Dakota have already passed bills that limit the ability of local communities to adopt or enforce requirements for home fire sprinklers, while a similar measure was recently blocked in Illinois. In Texas, a bill is un-

der consideration that would limit enforcement of the sprinkler requirement to homes larger than 7,500 square feet. According to the National Fire Protection Association (NFPA), several other states have bills pending that would revise the membership of the state building code board, presumably to stack the deck in favor of antisprinkler legislation (in Utah, the position once held by a fire marshal was eliminated from the state's 11-member building-code commission).

In all, the NFPA cites at least 16 states that currently have antisprinkler legislation on file (for a list and more info, go to the association's Web site, firesprinklerinitiative.org). — *A.W.*

Canadians Raise the Roof on Wood-Frame Buildings

In April, British Columbia raised the height limit for wood-frame residential buildings from four stories to six. The change was part of a package of proposals designed to help the Canadian province's struggling forest industry, among them a slash in the stumpage rates (fees private companies pay to cut government-owned timber) and a requirement that public facilities be built with local timber whenever possible. The proposals were announced earlier this year by B.C. premier Gordon Campbell.

In support of the height change, a government analysis noted that Seattle, Portland, and several other U.S. jurisdictions already allow five-story wood-frame buildings. But some groups in the province charge that the code change was politically motivated and adopted without sufficient study of structur-

al and other issues. The Fire Chiefs' Association of British Columbia, for instance, argues that fire departments lack the resources and training to fight fires in wood-frame buildings taller than three or four stories. And professional groups of architects and engineers warn that the walls of tall wood buildings are subject to elevated moisture loads and high wind forces that increase the risk of leaks.

Despite these concerns, Campbell says he would eventually like to see Canada's National Building Code adopt the measure. "Adopting a national building code that permits wood structures for buildings up to six stories ... would expand demand, help the environment, put people to work in forestry and construction, and save taxpayers millions," he said in a statement to the *National Post*, a Canadian newspaper.