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"The road to energy independence, economic recovery and reductions in greenhouse gas emissions runs through the Building Sector."
-Edward Mazria

2030 Challenge Stimulus Plan Hits Capitol Hill

President-elect Obama has committed to economic recovery, energy independence, carbon-neutral buildings by 2030 and an 80% reduction in US greenhouse gas emissions by 2050. Architecture 2030 has developed a groundbreaking economic stimulus plan that, with a single investment, simultaneously addresses all of these issues. Edward Mazria and Kristina Kershner presented the 2030 Challenge Stimulus Plan last week to policymakers and industry leaders in the Nation's Capitol where the Plan is now gathering steam.

The 2030 Challenge Stimulus Plan takes a very focused approach, strategically inserting scarce investment dollars into the economy, so as to get the widest range of benefits. With a federal investment of $85.56 billion each year for two years, the Plan will:

in just two years

- **create at least 8.445 million new jobs** and
- create a new $1.6 trillion renovation market

and in just five years,

- save consumers $142.33 to 200.88 billion,
- reduce CO2 emissions by 481.13 Million Metric Tons,
- reduce energy consumption by 6.17 Quadrillion Btu,
- save 1.83 trillion cubic feet of natural gas and
- save 83.35 million barrels of oil.

The Plan accomplishes all of this and more using a simple, equitable approach that integrates a mortgage buy-down program for residential buildings and an accelerated-depreciation program for commercial buildings with the energy efficiency targets of the 2030 Challenge (see excerpt in the box below). By tying stimulus funding to the 2030 Challenge targets, the Plan both revitalizes the US economy and incentivizes the necessary shift to an energy-efficient, clean-energy economy.

This powerful and comprehensive Plan benefits all Americans, no matter what income level or location in the country. The new demand for energy efficiency upgrades and infusion of capital will create over 8 million new jobs, including a new $1.6 trillion renovation market that will put the construction industry back to work immediately. Due to the large number of products and services involved, the investment in the Building Sector would be spread across the entire US and across all industries (from steel, insulation and caulking to mechanical, electrical and solar equipment, glass, wood, metals, tile, fabrics and paint) and all sectors (from design, engineering, banking and development to manufacturing, construction, wholesale, retail and distribution).

In addition, the $142.33 to 200.88 billion in consumer mortgage and energy savings will provide much-needed disposable income to fuel economic growth. Also, the reductions in energy consumption, CO2 emissions, natural gas and oil will put the country on the path to energy independence and signal our commitment to addressing climate change. The 'icing on the cake' is that the cost of the Plan will be paid back each year through the new tax base created by the new jobs.

Separately, Architecture 2030 has also called for updating the National Model Building Energy Codes to achieve overall energy savings, compared to the 2006 IECC for residential buildings and ASHRAE Standard 90.1-2004 for commercial buildings, of at least: 30% by 2010, 50% by 2016 and 75% by 2022, reaching carbon neutral in 2030. The 2030 Challenge Stimulus Plan bridges the gap between 2009 and the implementation of the updated National Codes in 2011. While addressing the country's immediate needs, it builds a foundation of experience and momentum that will ease the transition to the updated Codes that will transform the US Building Sector by 2030. **Investing in the Building Sector is the only investment that can accomplish all of these objectives.**

The simplicity of the 2030 Challenge Stimulus Plan, and its ability to have such a wide-ranging positive and immediate impact, has garnered a lot of attention on the Hill. The Plan is now being reviewed by the Transition Team.

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Read the full Plan here.
(http://www.architecture2030.org/downloads/2030stimulusplan.pdf)

From Transition Team Weighing Blockbuster Housing and Stimulus Proposal
by David Sassoon – Dec 12th, 2008
(http://solveclimate.com/blog/20081212/transition-team-weighing-blockbuster-housing-and-stimulus-proposal)

If you are a homeowner, you can bring your mortgage rate down 2 or 3 or 4 points – with Uncle Sam picking up the difference – if you improve the energy efficiency of your home. It's an offer you can't refuse, because it means you can save hundreds of dollars on a typical monthly mortgage, plus hundreds more in reduced energy bills – in perpetuity.

Those savings immediately go in to family coffers and can get spent, stimulating the economy. At the same time, all the demand for energy efficiency upgrades creates millions of jobs. The government recoups its investment in the mortgage buy-down from the income tax collected from the newly employed. And greenhouse gas emissions go down dramatically.

Mazria walked me through a hypothetical example that highlighted the huge incentives the plan could unleash. Say you're a homeowner with a $272,000 mortgage at 5.55%, paying about $1,550 a month. You decide you want your mortgage rate to drop to 3%. In order to qualify for the reduction, you have to improve the energy efficiency of your home 75% below code, and it's going to cost you a pretty penny: about $40,000.

Existing tax credits would take care of about $10,000 of that cost. The rest would get tacked on to your existing mortgage, bringing it up to $302,000. But, at 3%, you'd be paying only about $1,280 – saving almost $300 a month on the mortgage alone, plus another $150 in reduced energy costs. The value of your home rises, you have more disposable income, you've given work to someone to do the upgrades for you – and s/he's now paying federal taxes, and you've reduced your carbon footprint.

For additional discussion, see Adam Siegel's article, Massively Efficient Path to Save the Economy (http://www.huffingtonpost.com/a-siegel/massively-efficient-path_b_151545.html), at Huffington Post. Also look for Edward Mazria's December 17, 2008 post at Grist (http://gristmill.grist.org/).

HIGHLIGHTS:

CASCADIA GREEN BUILDING COUNCIL ENDORSES THE 2030 CHALLENGE
The Cascadia Region Green Building Council, one of three original chapters of the U.S. Green Building Council and a chapter of the Canada Green Building Council, announced that it has officially endorsed the 2030 Challenge and is encouraging firms and organization in its region to do the same.

2030 CHALLENGE STIMULUS PLAN: TRANSITION TEAM BRIEF
(http://www.architecture2030.org/downloads/2030stimulusplan.pdf)

ADOPT THE 2030 CHALLENGE
Sign up at http://www.architecture2030.org/2030_challenge/index.html

ADOPT THE 2010 IMPERATIVE
Sign up at http://www.architecture2030.org/2010_imperative/index.html

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Go to the News/Resources section of our website (http://www.architecture2030.org/news/index.php) to get the latest news updates on issues regarding climate change and the building sector.

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