



# Sustainable Building Guidelines

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**Unclear state law—exacerbated by inadequate oversight—has led to a program that lacks accountability and for which guideline compliance is unknown.**

### Report Summary

#### Roles and Responsibilities

Widespread disagreement and confusion about roles and responsibilities pertaining to the sustainable building guidelines have resulted in limited program oversight and accountability.

- Although state law identifies agencies responsible for *developing* the sustainable building guidelines, statutes do not assign an agency responsibility for *administering or overseeing* the guidelines after they are developed. (pp. 8, 13)

**Recommendation** ► The Legislature should determine which agency is responsible for administering and overseeing the guidelines and codify those duties in law. (p. 21)

- The roles of most project team members with regard to the sustainable building guidelines are not clearly defined. (p. 16)

**Recommendation** ► The agency that the Legislature tasks with administering and overseeing the sustainable building guidelines should ensure that the guidelines clearly define the roles of all individuals responsible for implementing the guidelines. (p. 22)

- It is unclear who—if anyone—is ensuring that projects comply with the sustainable building guidelines. (p. 41)

**Recommendation** ► The Legislature should direct the agency it tasks with administering and overseeing the sustainable building guidelines to monitor project compliance with the guidelines. (p. 47)

- Many project team members said they did not receive adequate training on how to fulfill their roles with regard to the sustainable building guidelines. (p. 22)

**Recommendation** ► The agency that the Legislature tasks with administering and overseeing the sustainable building guidelines should ensure that all individuals responsible for implementing the guidelines receive adequate training on their respective roles and responsibilities. (p. 23)

### Background

In 2001, the Legislature directed the departments of Administration and Commerce to develop a set of sustainable building guidelines. State law requires the guidelines to incorporate a broad array of sustainability elements, including air quality, lighting, and energy efficiency standards.

Although any building project can choose to follow the sustainable building guidelines, the guidelines are required for certain capital construction projects. By law, all new buildings and major renovations that receive general obligation bond proceeds must adhere to the guidelines.

Numerous entities are involved in the implementation or administration of the guidelines. Although statutes require the departments of Administration and Commerce to develop the guidelines, the Center for Sustainable Building Research at the University of Minnesota has assumed primary responsibility for the ongoing administration of the guidelines. Further, project teams—typically composed of individuals working for state and local governments and private firms—are responsible for implementing the guidelines on a project-by-project basis.

## Program Outcomes

Due to a lack of data, we were unable to determine the outcomes of the sustainable building guidelines. The state has not systematically tracked which projects are subject to the guidelines, whether projects have complied with the guidelines, or what effect the guidelines have had on the cost or sustainability of capital projects.

- The total number of projects subject to the sustainable building guidelines is unknown, and the standards for determining which projects are subject to the guidelines are unclear. (pp. 28-29)

**Recommendation** ► The Legislature should amend statutes to task an agency with responsibility for determining which projects are subject to the sustainable building guidelines. (p. 30)

**Recommendations** ► The Legislature should clarify law regarding the types of capital projects that are subject to the sustainable building guidelines. Further, the agency to which the Legislature assigns responsibility for identifying projects subject to the guidelines should clearly define and document any additional criteria used to determine which projects are subject to the guidelines. (pp. 30-31)

- Due to limitations with program data, the share of projects that have complied with the sustainable building guidelines is unknown. (p. 43)

**Recommendation** ► The Legislature should amend statutes to ensure that the state can successfully collect the data needed to determine whether projects complied with the sustainable building guidelines. (p. 47)

**Recommendation** ► The agency that the Legislature tasks with administering and overseeing the sustainable building guidelines should ensure that all project teams track their compliance with the guidelines. (p. 48)

- The overall effect of the sustainable building guidelines on building costs and sustainability is unknown. (pp. 52, 54)

**Recommendation** ► The Legislature should direct the agency it tasks with administering and overseeing the sustainable building guidelines to systematically evaluate the effects of the guidelines on building costs and sustainability. (p. 55)

## Summary of Agencies' Responses

In a letter dated February 8, 2023, Department of Administration Commissioner Roberts-Davis said that “Admin supports accountability for each entity receiving bond funds...in meeting statutory requirements” and that the administration of the sustainable building guidelines should be the responsibility of the entity that has the staff with “the appropriate technical expertise,” the Center for Sustainable Building Research.

The Department of Commerce Commissioner Arnold—in a letter dated, February 8, 2023—stated that “The Department agrees with the findings and assessments as spelled out in OLAs [*sic*] review, specifically the need for clear accountability and oversight, addressing variances, funding, and communicating clear goals and objectives.”

The director of the University of Minnesota’s Center for Sustainable Building Research said in a letter dated February 7, 2023, that they “appreciate the...desire for clarity and accountability and the alignment of processes to achieve the legislature’s goals for sustainability in state-funded capital construction....” They further stated that clarity regarding aspects of project compliance “would significantly increase the impact of the program and the improved performance toward the Legislature’s goals for state construction.”