

ORDINANCE NO. 2021 - 29

AN ORDINANCE ADDING ENERGY DISCLOSURE REQUIREMENTS TO TIME-OF-SALE HOUSING EVALUATIONS, THEREBY AMENDING CHAPTER 14 OF THE CITY CODE.

The City Council of the City of Bloomington, Minnesota ordains:

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Section 1. That Chapter 14 of the City Code is hereby amended by deleting those words that are contained in brackets [] with ~~strike through~~ text and adding those words that are underlined, to read as follows:

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CHAPTER 14: LICENSES AND PERMITS

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ARTICLE VI. TIME-OF-SALE HOUSING EVALUATIONS AND MANUFACTURED HOME PARK REGULATIONS

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DIVISION C: TIME-OF-SALE-HOUSING EVALUATIONS

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§ 14.522 DEFINITIONS.

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ENERGY DISCLOSURE REPORT. A report describing the overall energy efficiency score of a dwelling's energy assets included with the evaluation report.

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§ 14.523 EVALUATION REPORT REQUIRED.

(a) Except as set forth in this Division C, no single-family dwelling , two-family dwelling , mobile home or a unit in a multiple-family dwelling located within the city may be voluntarily offered for sale or conveyed by deed or contract for deed until the owner or owner's agent has first applied for and secured an evaluation prepared by an evaluator licensed under this Division C. The evaluation report must include an energy disclosure report in accordance with the requirements in Section 14.523.01. A separate evaluation report [~~shall~~] must be prepared for each dwelling or structure.

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§ 14.523.01 ENERGY DISCLOSURE REQUIREMENTS.

(a) Purpose. The Council finds the following:

- (1) Climate change disproportionately harms BIPOC (Black, Indigenous, and People of Color) communities.
- (2) Bloomington's Energy Action Plan outlines a goal of reducing greenhouse gas emissions by seventy-five percent by 2035.
- (3) Residential units account for thirty percent of Bloomington's energy-related greenhouse gas emissions and forty-four percent of community-wide natural gas use.
- (4) Improving existing buildings through energy efficiency upgrades is one of the most cost-effective ways to achieve the City's greenhouse gas emission goal.
- (5) Eighty-nine percent of Bloomington's single-family homes were built before there was an energy code requiring insulation in homes.

- (6) Approximately one in five households living in owner-occupied single-family homes experience a high-energy burden.
 - (7) Weatherization can provide health benefits by modifying the indoor environmental conditions of a home.
 - (8) Energy disclosure at the time of sale brings awareness, resources, and value to home energy improvements.
- (b) Energy Disclosure Report. An energy disclosure report must be generated and disclosed in accordance with Sections 14.523 and 14.524 and include the following information:
- (1) The energy disclosure report must provide an energy asset rating that includes information on the following structural and mechanical assets:
 - (A) Attic insulation. R-value of insulation, calculated based on industry standards for insulation type and number of inches, recorded for each attic area in the home, including square footage of that area.
 - (B) Wall insulation. R-value of insulation, calculated based on industry standards for insulation type and number of inches, plus the square footage of exterior walls. For homes built before 1980 insulation levels must be visually verified by drilling and capping a single hole in an exterior wall, or utilizing an existing hole from a previous evaluation. An invoice with scope of work from a licensed contractor showing installation of wall insulation, or other reasonable forms of proof, as determined by the Building Official, may also be used as an alternative for compliance with this portion of the report. If other technologies for determining wall insulation R-value are approved by the Building Official they may also be used.
 - (C) Heating system efficiency. Heating system type, AFUE, venting and age.
 - (D) Window efficiency. Window type, and presence of any single pane windows with no storm windows or broken windows.
 - (E) Water heaters. Fuel type, venting type, and age.
 - (F) Air Conditioning. Type and age.
 - (2) The energy disclosure report must provide recommendations to improve the energy asset rating of the home.
 - (A) Recommendations must be expected to have a simple payback of ten years or less.
 - (B) Recommendations must be prioritized based on energy savings potential and cost effectiveness.
 - (C) Recommendations must include information on the expected cost and savings of the project, based on city approved methodology.
 - (3) The energy disclosure report must identify next steps.
 - (A) The report must sequence recommended actions so that next steps are clear and easy to understand.
 - (B) The report must include information about who to contact with questions.
- (c) Exceptions. The energy disclosure report requirement may be satisfied by a time-of-sale of housing evaluation that included an energy disclosure report or an energy audit that included an energy asset rating within the last five (5) years. An energy certification approved by the Building Official will also qualify. The asset rating and audit report or certification must be disclosed in accordance with Section 14.523 and this Division C.
- (d) Appeals.
- (1) Insulation Inspection Appeals. Any owner of property or other person directly and personally affected by the insulation inspection of a property, either personally or through their representative, can make an appeal to the Building Official. The Building Official will have authority to hear and decide all insulation inspection appeals.
 - (2) Insulation Inspection Appeal Process. Insulation inspection appeals must be made by written notice filed with the Building Official within five days from the date of the initial inspection. The notice of appeal must contain a concise statement of the grounds for the appeal and will be accompanied

by a fee of one hundred dollars (\$100.00). The Building Official has the authority to summarily grant the appeal and to waive the appeal fee. The insulation inspection will not be required if the Building Official determines it is not feasible or would cause significant structural damage to the home. The official receipt date of the appeal is the date when all necessary information has been submitted to the city. The Building Official shall rule on the appeal within three business days of the official receipt date of the appeal. The decision of the Building Official shall be final.

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§ 14.533 RESERVED. [EFFECTIVE DATE.]

~~This Division C is effective for dwellings offered or listed for sale by exhibiting or showing on or after January 1, 1995.]~~

Section 2. *Effective date.* This ordinance becomes effective April 1, 2022.

/s/ Tim Busse
Mayor

ATTEST:

/s/ Matt Brillhart
Secretary to the Council

APPROVED:

/s/ Melissa J. Manderschied
City Attorney