



IECC Technical Advisory Group
c/o Minnesota Department of Labor and Industry
443 Lafayette Road
Saint Paul, MN 55155

Re: Approaching the 2024 IECC Review for IRC Buildings

VIA ELECTRONIC DELIVERY

December 20, 2024

Members of the IECC Technical Advisory Group,

As this Technical Advisory Group (TAG) resumes its work, it does so against a backdrop of a worsening housing affordability crisis:

- Housing affordability is the lowest it has in three decades¹.
- Housing production in Minnesota is falling fast, with Minnesota down to roughly 2/3 of the production levels seen just three years ago².
- Minnesota is facing a housing shortage of 100,000 homes and apartments, ¾ of which is needed in the Twin Cities³.
- Minnesota has the highest new construction costs in the region⁴.

DATA-DRIVEN DISCUSSIONS

During the review of the 2021 IECC, a comment was made about home builders “building junk” and inferences were made that any home built with an ACH above 2 is somehow not code compliant.

This is an exaggerated misstatement and material misrepresentation of the facts used to benefit the advocacy aims of one group over another. We may disagree on policy items, but we should not disparage any one individual or interested party. Minnesotans deserve better than this.

Data shows that the two most affordable new construction homes built under the IRC, slab-on-grade homes with standard ceilings and single-family attached homes, have higher ACH figures. For slab-on-grade homes, the volume is roughly half of what that same home would have if it was built with a basement:

$$ACH50 = \frac{CFM\ 50x60}{Volume}$$

¹ Housing Wire, July 3, 2024.

² United States Census Bureau, Building Permit Survey.

³ Up for Growth, Housing Underproduction in the United States, October 2024.

⁴ Zonda review of Midwest Price Point Data, Dec. 2024

Both townhomes with their shared firewalls and slab-on-grade homes due to their foundation have construction specifications that result in naturally higher ACH than homes with basements. We must acknowledge that basements are predominantly upper-Midwest and Northeastern U.S. features; most of the country does not have basements.

Housing First Minnesota has unparalleled data on energy efficiency through our Green Path program and a review of data I had on file from this group's meetings in 2023 (homes tested between Nov. 15, 2022, and Nov. 7, 2023) shows the following⁵:

- **A single home** less than 1,500 square feet had an ACH of less than 2 (It was **1.99**).
- Of the 105 homes built less than 1,700 square feet, four had an ACH of less than 2 (3.9%).
- 15.55% of the homes built less than 2,000 square feet had an ACH of less than 2, compared to 65.54% of all home data from this timeframe.

The data illustrates that the data does not support the need for 2 ACH for all construction types, something discussed *ad nauseum* during the review of the 2021 IECC. These two types of homes, single-family attached and slab-on-grade villas, are the most affordable new home options in the state. Adding costs to these homes severely limits the industry's ability to build homes at what is considered the entry-level price point in Minnesota, pushing homebuyers into the existing market. Further, accusations and disparaging comments will only serve to weaken the process and could invalidate the proposals being brought forward, especially when the data does not support the rationale. See Minnesota Court of Appeals, *BATC v. DLI* (2015).

TIMING

Time is of the essence as the State Legislature has now mandated the adoption by the end of 2026. The delay from ICC in providing the code books did no one – DLI's technical staff, code officials, home builders, energy raters, and other interested parties - any help. This compressed time frame puts the state-mandated durability analysis at risk..

This durability analysis is a critical consumer protection and the **only remaining guardrail for new-home buyers** now that the Legislature has determined that affordability and durability are no longer the guiding principles of the state's energy code.

With this in mind, Housing First Minnesota respectfully requests that this TAG limit the review of proposals that this TAG has previously rejected, including proposals. Reworking proposals with technical issues and concerns also ought to be excluded. The 2021 IECC discussion was dominated by reviewing repeatedly rejected proposals.

PERFORMANCE PATH

After discussion with our members, most, but not all, of the homes built going forward will be built using the performance path as this allows their buyers to find some semblance of affordability as the states elect to cast aside the efficiency targets of the IECC. This will present a challenge for code officials as home designs will vary from one plan and one builder to another. For this reason, it is imperative that

⁵ Note: Data did not indicate foundation type or attached vs. detached.

this TAG find ways to ensure our builders and code officials have the capacity to work together as homes and their inspections become far more complex.

CONCLUSION

The burden of increasing energy efficiency in homes unfairly rests solely on new construction at a time when housing affordability and access are at their lowest. Given the sheer volume of changes and the compressed timeframe, Housing First Minnesota respectfully requests that this TAG prioritize these three principles:

1. **Amendments:** This next code will be a sea change for builders and code officials. We are now on a three-year adoption cycle which will take us further away from the model codes in the ensuing decade. Given this, there is no need for amendments to increase above what is needed to set us on this path.
2. **Performance Path:** Recognition and protection of the performance path is imperative as this will be the chosen method most builders will utilize to address the energy code in this affordability-challenged market.
3. **Affordability:** With affordability regrettably taking a back seat, TAG members should do what they can to keep this a part of the equation.

Thank you for consideration of our comments. Please contact me directly with any questions.

Sincerely

Nick Erickson
Sr. Director of Housing Affordability
Housing First Minnesota