

**CITY OF SEATTLE**

**ORDINANCE** 126959

COUNCIL BILL 120718

AN ORDINANCE relating to regulating greenhouse gas emissions in larger existing nonresidential and multifamily buildings; establishing and imposing greenhouse gas emissions intensity targets and reporting requirements; prescribing penalties; adding a new Chapter 22.925 to the Seattle Municipal Code; amending Sections 22.920.010, 22.920.020, 22.920.030, 22.920.120, 22.920.130, 22.920.170, 22.930.010, 22.930.020, 22.930.040, 22.930.050, 22.930.120, 22.930.140, and 22.930.180 of the Seattle Municipal Code; and repealing Section 22.920.040 of the Seattle Municipal Code.

WHEREAS, The Intergovernmental Panel on Climate Change (IPCC) *Sixth Assessment Report:*

*Climate Change 2021* finds that “Global warming of 1.5°C and 2°C will be exceeded during the 21st century unless deep reductions in carbon dioxide (CO<sub>2</sub>) and other greenhouse gas emissions occur in the coming decades”; and

WHEREAS, Seattle is already experiencing impacts from climate change including more severe and frequent extreme heat and wildfire smoke events, drought, heavy precipitation, sea level rise, and flooding; and

WHEREAS, buildings account for 37 percent of Seattle’s core greenhouse gas (GHG) emissions and The City of Seattle (“City”) has a goal to reduce building GHG emissions by 39 percent from 2008 levels and reach zero net GHG emissions by 2050; and

WHEREAS, in 2019 the City Council adopted Resolution 31895 committing to creating a Green New Deal for Seattle further calling for Seattle to decarbonize at an accelerated pace while prioritizing investment in communities historically most harmed by economic, racial, and environmental injustice; and

1 WHEREAS, in 2019 the Washington Legislature enacted the Clean Energy Transformation Act,  
2 chapter 19.405 RCW, committing Washington to GHG emissions-neutral electricity by  
3 2030 and 100 percent renewable or non-emitting electricity by 2045; and

4 WHEREAS, in 2021 the Washington Legislature enacted the Climate Commitment Act, chapter  
5 70A.65 RCW, progressively lowering caps on carbon emissions for 2030 and 2040 to  
6 net-zero carbon emissions by 2050 and covering businesses such as fuel suppliers, natural  
7 gas and electric utilities, district thermal energy providers, and other energy providers;  
8 and

9 WHEREAS, in 2019 the Washington Legislature enacted the State Energy Performance  
10 Standard, RCW 19.27A.200-240, establishing energy efficiency targets, efficiency  
11 reduction planning, and operations and maintenance requirements for large commercial  
12 buildings over 50,000 square feet beginning in 2026, as well as an early adoption  
13 incentive program; and

14 WHEREAS, in 2021 the Washington Legislature passed the Clean Buildings Expansion Bill,  
15 19.27A.250 RCW, which requires commercial buildings over 20,000 to 50,000 square  
16 feet and multifamily buildings over 20,000 square feet to conduct energy management  
17 planning and operations and maintenance programs consistent with the Clean Buildings  
18 Performance Standard, and directs the Department of Commerce by 2023 to adopt rules  
19 for the requirements beginning in 2027 and by 2030 to adopt rules for performance  
20 standards; and

21 WHEREAS, the Seattle Energy Code improves the energy efficiency and reduces GHG  
22 emissions in new construction and substantial alterations of commercial buildings, which  
23 includes multifamily buildings over three stories; and

1 WHEREAS, City departments were directed to develop a Municipal Buildings Decarbonization  
2 Strategy that would identify a path for municipal buildings to operate without fossil fuel  
3 systems and appliances by 2035; and

4 WHEREAS, the City finds that establishing GHG emissions reduction targets on large  
5 nonresidential and multifamily buildings is projected to reduce GHG emissions from  
6 Seattle buildings by 27 percent; and

7 WHEREAS, building owners may make meaningful reductions in building-related GHG  
8 emissions through a variety and combination of actions such as: employing energy-  
9 efficient measures, using less GHG emissions-intensive fuels like electricity, waste heat,  
10 renewable natural gas, biofuels, or green hydrogen; and

11 WHEREAS, decarbonizing Seattle buildings will require an increase in skilled trades, and the  
12 elimination of climate pollution from existing nonresidential and multifamily buildings  
13 over 20,000 square feet is specifically projected to create 150 to 270 annual jobs or more  
14 in clean energy and construction and the City is investing in programs and funding to  
15 support a just transition; and

16 WHEREAS, in 2022 the City established a Seattle Clean Buildings Accelerator support program  
17 that provides training and technical support for building owners to improve energy  
18 efficiency and reduce climate pollution, with a prioritization on buildings serving people  
19 with low or no incomes and communities historically most harmed by economic, racial,  
20 and environmental injustice; and

21 WHEREAS, the 2023 Adopted and 2024 Endorsed Budget includes over \$11 million of  
22 JumpStart Green New Deal funding to implement a Seattle Building Emissions  
23 Performance Standard and to provide technical and financial support for building owners,

1 and the City is pursuing additional funding available through the federal Bipartisan  
2 Infrastructure Law and Inflation Reduction Act, state grants, and other sources, for  
3 subsidized low-income housing, unsubsidized low-rent housing, nonprofits, and other  
4 facilities serving frontline communities; and

5 WHEREAS, mitigating for climate change and ensuring housing affordability are both necessary  
6 for a thriving city and the City already has multiple tenant protection laws to complement  
7 this legislation, including the Housing & Building Maintenance Code, Rental  
8 Registration & Inspection Ordinance, Just Cause Eviction Ordinance, Rental Agreement  
9 Regulation, Economic Displacement Relocation Assistance, and Tenant Relocation  
10 Assistance Ordinance; NOW, THEREFORE,

11 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

12 Section 1. A new Chapter 22.925 is added to the Seattle Municipal Code as follows:

13 **CHAPTER 22.925 BUILDING EMISSIONS PERFORMANCE STANDARD**

14 **22.925.010 Applicability**

15 A. This Chapter 22.925 applies to all covered buildings not otherwise exempt under  
16 subsections 22.925.010.C or 22.925.010.D or elsewhere in this Chapter 22.925.

17 B. This Chapter 22.925 applies to greenhouse gas emissions from the energy used by  
18 covered buildings, including but not limited to: electricity, natural gas, liquified or compressed  
19 gas, distillate oil, heating oil, renewable natural gas, hydrogen, and district thermal energy.

20 C. This Chapter 22.925 does not apply to covered buildings as defined in Section  
21 22.925.020 that are covered entities as defined in RCW 70A.65.010 and subject to a cap on  
22 greenhouse gas emissions in RCW 70A.65.060.

1 D. This Chapter 22.925 does not apply to industrial buildings as defined in Section  
2 22.925.020.

3 **22.925.020 Definitions**

4 As used in this Chapter 22.925:

5 “Alternative compliance payment” or “ACP” means a payment that a building owner  
6 pays to the City to comply with this Chapter 22.925 in lieu of meeting GHGITS.

7 “Alternate GHGIT” means the GHGIT in kgCO<sub>2</sub>e/SF/yr established from the baseline  
8 GHGI of an individual covered building, district campus, connected buildings, or  
9 public/nonprofit building portfolio, and calculated according to Section 22.925.080.

10 “Baseline GHGI” means the GHGI in kgCO<sub>2</sub>e/SF/yr for a particular 12-month period for  
11 a covered building, building portfolio, district campus, or connected buildings used to calculate  
12 compliance with certain alternative compliance options.

13 “Building activity type” means a building or building space type use listed in Table A for  
14 22.925.070 such as office, retail, hotel, or multifamily.

15 “Building owner” means an individual or entity possessing a fee interest in a covered  
16 building. Where a condominium is subject to this Chapter 22.925, “building owner” means the  
17 owners' association, except that, where the powers of an owners' association are exercised by or  
18 delegated to a master association, “building owner” means the master association.

19 “Building portfolio” means two or more covered buildings on one or more lots, all owned  
20 by the same public, private, or nonprofit entity. Building portfolios may include district  
21 campuses and/or connected buildings. For the purposes of this definition, a building management  
22 company does not constitute an owner.

1           “Carbon dioxide equivalent” or “CO<sub>2</sub>e” means the metric used to compute the combined  
2 emissions from carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and nitrous oxide (N<sub>2</sub>O) on the basis of  
3 their global warming potential.

4           "Carbon offset" means a reduction or removal of emissions of carbon dioxide or other  
5 greenhouse gases made in order to compensate for emissions made elsewhere. Offsets are  
6 measured in tons of carbon dioxide equivalent (CO<sub>2</sub>e).

7           "Certificate of occupancy" means the certificate issued by the building official after final  
8 inspection, allowing the building to be occupied.

9           “City” means The City of Seattle.

10          “Compliance GHGI” means the GHGI in kgCO<sub>2</sub>e/SF/yr for a particular 12-month period  
11 for a covered building, building portfolio, district campus, or connected buildings used to show  
12 compliance with the GHGIT.

13          “Condominium” means real property, portions of which are designated for separate  
14 ownership and the remainder of which is designated for common ownership solely by the owners  
15 of those portions.

16          “Connected buildings” means two or more covered buildings owned by the same building  
17 owner that are situated on the same or adjacent parcels and have shared mechanical or metering  
18 equipment such as energy meters, building controls, heating, or ventilation or share a thermal  
19 envelope because they are physically connected. Where more than one owner shares mechanical  
20 or metering equipment under a joint agreement, one owner shall be deemed the building owner  
21 for the purposes of complying with this Chapter 22.925.

22          “Covered building” means a nonresidential building or multifamily building as defined in  
23 this Section 22.925.020.

1           “Director” means the Director of the Office of Sustainability and Environment or the  
2 Director’s designee and includes any person or agency or representative of such person or  
3 agency to whom authority is delegated under this Chapter 22.925.

4           “District campus” means two or more covered buildings on the same or adjacent parcels  
5 owned by the same building owner that is served by a campus district heating, cooling, water  
6 reuse, and/or power system. Where more than one owner is part of a district campus under a joint  
7 agreement, one owner shall be deemed the building owner for the purposes of complying with  
8 this Chapter 22.925.

9           “District campus heating and/or cooling system” means a district heating and/or cooling  
10 system that serves a district campus.

11           “District thermal energy” means thermal energy provided by a district thermal energy  
12 provider distributed to two or more buildings through a network of pipes from a central plant or  
13 combined heat and power facility for heating or cooling.

14           "District thermal energy provider" means any private person, company, association,  
15 partnership, joint venture, or corporation engaged in producing, transmitting, distributing,  
16 delivering, furnishing, or selling thermal energy to buildings owned by a person or entity other  
17 than the district thermal energy provider.

18           “Energy” means electricity, including electricity delivered through the electric grid and  
19 electricity generated at the building premises using solar, wind, or other resources; natural gas;  
20 combined heat and power; district thermal energy; propane; fuel oil; wood; coal; or other fuels or  
21 thermal sources used to meet the energy loads of a building.

22           "Energy benchmarking" means the assessment of a building's energy use, greenhouse gas  
23 emissions, and efficiency as required in Chapter 22.920.

1 “ENERGY STAR Portfolio Manager” means the tool developed and maintained by the  
2 United States Environmental Protection Agency that enables account holders to track and assess  
3 the energy, water, waste, and greenhouse gas emissions performance of their buildings.

4 “Financial distress” means:

5 1. A covered building that has had arrears of property taxes or water or  
6 wastewater charges that resulted in the building’s inclusion, within the prior two years, on a King  
7 County annual tax lien sale list;

8 2. A covered building that has a court-appointed receiver in control of the asset  
9 due to financial distress;

10 3. A covered building that is owned by a financial institution through default by a  
11 borrower;

12 4. A covered building that has been acquired by a deed in lieu of foreclosure  
13 within the previous 24 months;

14 5. A covered building has a senior mortgage subject to a notice of default; or

15 6. Other conditions determined by rule.

16 “Greenhouse gas” or “GHG” means carbon dioxide, methane, nitrous oxide,  
17 hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

18 “Greenhouse gas emissions” or “GHG emissions” means Scope 1 direct emissions from  
19 stationary (non-transport) combustion of fossil fuels (e.g., boilers, furnaces, or domestic hot  
20 water) serving a building or buildings, and Scope 2 indirect emissions from the purchase of  
21 electricity, steam, hot water, or chilled water that are delivered through a grid or district thermal  
22 energy source, as defined by the United States Environmental Protection Agency, and are  
23 reported as CO<sub>2</sub>e. “Greenhouse gas emissions” does not include fugitive emissions directly



1 released into the atmosphere from various types of equipment and processes (e.g., refrigerants,  
2 industrial gases, fire suppression systems), as defined by the United States Environmental  
3 Protection Agency.

4 “Greenhouse gas emissions factor” or “emissions factor” means the CO<sub>2</sub>e emissions  
5 associated with an energy source and reported in kgCO<sub>2</sub>e per thousand British thermal units  
6 (kgCO<sub>2</sub>e/kBtu).

7 “Greenhouse gas emissions intensity” or “GHGI” means a measurement of a covered  
8 building's greenhouse gas emissions from its energy use relative to its size. A building's GHGI is  
9 the sum of each energy fuel source consumed in one year multiplied by the emissions factor of  
10 that fuel, divided by the gross floor area of the building. GHGI is measured as a value of kgCO<sub>2</sub>e  
11 units per square foot per year (kgCO<sub>2</sub>e/SF/yr).

12 “Greenhouse gas emissions intensity target” or “GHGIT” means the target that limits a  
13 covered building’s GHGI under this Chapter 22.925. GHGIT is reported as a value of kgCO<sub>2</sub>e  
14 units per square foot per year (kgCO<sub>2</sub>e/SF/yr).

15 “Gross floor area” means the total number of square feet measured between the exterior  
16 surfaces of the enclosing fixed walls, including all supporting functions such as offices, lobbies,  
17 restrooms, equipment storage areas, mechanical rooms, break rooms, and elevator shafts. Gross  
18 floor area excludes parking, outside bays, and docks. The gross floor area of indoor atriums is  
19 the base floor area of the indoor portion of the atrium.

20 “Housing, low-income” means “housing, low-income” as defined in Section 23.84A.016.

21 “Housing, low-rent” means a multifamily building with the current contract rent and the  
22 contract rent for a minimum of ten years after the relevant compliance date in 2031-2035,  
23 including an allowance for basic utilities if not included in the contract rent, for over 60 percent

1 of the total residential units is at or below either: (1) 60 percent of median income, or (2) 40  
2 percent of median income for SEDUs. Median income is as published by the Seattle Office of  
3 Housing. “Low-rent housing” is not low-income housing.

4 “Human service use” means “human service use” as defined in Section 23.84A.016.

5 “Industrial building” means a building that has at least 50 percent of its use classified  
6 under Factory Industrial Group F in the Seattle Building Code as manufacturing or light  
7 industrial according to the building’s Certificate of Occupancy.

8 “Initial occupancy date” means the date that a certificate of occupancy was first issued  
9 for a building. If no certificate of occupancy was issued, it means the date any utility service was  
10 first billed for the building.

11 “Multifamily building” means a building or portion of a building with greater than 20,000  
12 square feet of gross floor area that is classified under the Seattle Building Code as a Residential  
13 Group R-2 or R-3 occupancy. A building is considered multifamily if more than 50 percent of  
14 the building is residential use.

15 “Natural gas” means fossil fuel derived mixtures of hydrocarbon gases and vapors  
16 consisting principally of methane, whether in gaseous or liquid form, not including gas that  
17 meets the definition of renewable natural gas.

18 “Net-zero emissions” means that all energy sources used by a covered building have zero  
19 GHG emissions, including any carbon offsets purchased and retired by a natural gas utility or  
20 district thermal energy provider in accordance with and as authorized under the Climate  
21 Commitment Act, chapter 70A.65 RCW; and including any renewable energy credits purchased  
22 and retired by an electric utility in accordance with and as authorized under the Clean Energy

1 Transformation Act, chapter 19.405 RCW; and except for certain emissions deductions as may  
2 be allowed by rule under Section 22.925.120.

3 “Nonresidential building” means a building or portion of a building with greater than  
4 20,000 square feet of gross floor area, that is any classified occupancy under the Seattle Building  
5 Code other than a building classified as a Factory Industrial Group F-1 or F-2 or as Residential  
6 R-2 or R-3. A building is considered nonresidential if more than 50 percent of the building is  
7 nonresidential use.

8 “Normalization factor” means a numerical factor used to adjust the GHGIT of a building  
9 activity type to account for hours of operation for nonresidential activity types, or occupancy  
10 density for multifamily activity types.

11 “Notice of violation” or “NOV” means a written notice issued to a building owner for  
12 failure to comply with the requirements of this Chapter 22.925 or for making any  
13 misrepresentation of any material fact in a document required to be prepared or disclosed by this  
14 Chapter 22.925 or rules adopted under it.

15 “OSE” means the Office of Sustainability and Environment.

16 “Owners’ association” means the entity consisting exclusively of all the unit owners in a  
17 condominium. The association may be organized as a profit or nonprofit corporation.

18 “Public/nonprofit building portfolio” means a building portfolio owned by the same  
19 public or nonprofit entity.

20 “Qualified person” means a person having training, expertise, and at least three years  
21 professional experience in building energy use analysis and any of the following certifications or  
22 licenses: a licensed professional architect or engineer in the State of Washington; a Building  
23 Energy Assessment Professional (BEAP) certified by the American Society of Heating,

1 Refrigerating and Air-Conditioning Engineers (ASHRAE); Certified Energy Auditor (CEA)  
2 certified by the Association of Energy Engineers (AEE); Building Operator Certification (BOC)  
3 Level II by the Northwest Energy Efficiency Council; a Certified Commissioning Professional  
4 (CCP) who is certified by an ANSI/ISO/IEC 17024:2012 accredited organization; a Certified  
5 Energy Manager (CEM) in current standing certified by the Association of Energy Engineers  
6 (AEE); or an Energy Management Professional (EMP) certified by the Energy Management  
7 Association. The Director may prescribe additional certifications and training to meet the  
8 minimum qualifications of a qualified person.

9 “Renewable energy certificate” or “REC” means a tradable certificate of proof of one  
10 megawatt-hour of a renewable resource. The certificate includes all of the nonpower attributes  
11 associated with that one megawatt-hour of electricity. The certificate shall be verified by a  
12 renewable energy credit tracking system.

13 “Renewable natural gas” means a gas consisting largely of methane and other  
14 hydrocarbons derived from the decomposition of organic material in landfills, wastewater  
15 treatment facilities, or anaerobic digesters and that is fully interchangeable with conventional  
16 natural gas.

17 “Renewable thermal certificate” means a representation of the environmental attributes  
18 associated with the production, transport, and use of one dekatherm of renewable natural gas.

19 “SEDU” means a “Dwelling unit—small efficiency” as defined in Section 23.84A.008.

20 “Standard GHGIT” means the calculated GHGIT in kgCO<sub>2</sub>e/SF/yr for a covered  
21 building, building portfolio, district campus, or connected buildings, based on the percent of  
22 gross floor area of each building activity type in Table A for 22.925.070 and normalization  
23 factors.

1           “Tenant” means a person occupying or holding possession of a building or premises  
2 pursuant to a rental agreement.

3           "Thermal energy" means heat or cold in the form of steam, heated, or chilled water, or  
4 any other heated or chilled fluid or gaseous medium.

5           “Utility” means an entity that distributes and sells natural gas, electric, or thermal energy  
6 services for buildings.

7           “Weather normalized” means a method for modifying the measured building energy use  
8 in a specific weather year to the energy use under typical weather conditions.

9   **22.925.030 Rulemaking**

10 The Director may promulgate rules to implement this Chapter 22.925, including but not limited  
11 to establishing GHGI calculation procedures, establishing normalization factors, establishing and  
12 reporting emissions factors, updating building activity types and associated GHGIs,  
13 establishing processes for requesting alternative compliance, extensions and exemptions,  
14 establishing reporting formats and processes, revising ACP and penalty amounts, or adjusting  
15 building end use deductions.

16   **22.925.040 Greenhouse gas reductions**

17           A. Building owners shall reduce the GHGIs of covered buildings to meet their standard  
18 GHGIs for each compliance interval, unless approved for alternate GHGI reductions in Section  
19 22.925.100 or an extension or exemption in Section 22.925.110.

20           B. Once buildings have achieved net-zero emissions, building owners shall maintain  
21 covered buildings at net-zero emissions in perpetuity.

1 C. Building owners shall meet the reporting obligations to the City identified in Section  
2 22.925.090 based on the compliance schedule in Table A for 22.925.060, unless approved for an  
3 alternative compliance schedule in Section 22.925.100.

4 D. A covered building must meet its GHGITS and reporting obligations regardless of any  
5 changes in the ownership of the covered building or any lease agreements established after the  
6 effective date of this ordinance.

7 **22.925.050 Energy and emissions benchmarking verification**

8 A. By the compliance deadlines in Table A for 22.925.060, building owners shall have a  
9 qualified person, other than the person who prepared and submitted the benchmarking report  
10 pursuant to Chapter 22.920, verify the accuracy of the covered building’s reported ENERGY  
11 STAR Portfolio Manager benchmarking data for the previous calendar year, January 1 –  
12 December 31.

13 B. Benchmarking verification shall apply to any benchmarking data used to determine a  
14 covered building’s compliance GHGIs and baseline GHGI, and for any other reporting  
15 obligations calling for verified benchmarking data under this Chapter 22.925 or by rule.

16 C. If there are errors in previously reported benchmarking data or discrepancies between  
17 previously reported data and verified benchmarking data, the qualified person shall correct  
18 benchmarking data in ENERGY STAR Portfolio Manager.

19 **22.925.060 Compliance schedules**

20 A. Building owners shall meet benchmarking verification and reporting obligations for  
21 their covered buildings by October 1 of the compliance year listed in Table A for 22.925.060.

<p><b>Table A for 22.925.060</b> <b>Covered buildings compliance schedule for benchmarking verification and reporting obligations</b></p>
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Gross floor area in square feet	Shall meet benchmarking verification and reporting obligations by October 1 of		
220,001 or greater			2027
90,001-220,000			2027
50,001-90,000			2028
30,001-50,000			2029
20,001-30,000			2030
<b>Building portfolio, district campus and connected buildings compliance schedule</b>			
Building portfolios, district campuses, and connected buildings approved for alternative compliance under Section 22.925.100	Shall meet benchmarking verification and reporting obligations by October 1 of		
			2028

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B. Building owners shall meet their GHGITs, benchmarking verification, and reporting obligations for their covered buildings by October 1 of the compliance year for each compliance interval, listed in Table B for 22.925.060, and every five years thereafter.

<b>Table B for 22.925.060 Covered buildings<sup>1</sup> compliance schedule for meeting GHGITs, benchmarking verification, and reporting obligations</b>				
Gross floor area in square feet	Shall meet GHGIT, benchmarking verification, and reporting obligations by October 1 of			
220,001 or greater	2031	2036	2041	2046
90,001-220,000	2032	2037	2042	2047
50,001-90,000	2033	2038	2043	2048
30,001-50,000	2034	2039	2044	2049
20,001-30,000	2035	2040	2045	2050
<b>Building portfolios, district campus and connected buildings compliance schedule</b>				
Building portfolios, district campuses, and connected	Shall meet GHGIT, benchmarking verification, and reporting obligations by October 1 of			

buildings approved for alternative compliance under Section 22.925.100	2033	2038	2043	2048
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Footnote to Table B for 22.925.060  
<sup>1</sup> Pursuant to Section 22.925.110, low-income housing, human service use, and low-rent housing are exempt from meeting the GHGIT for 2031-2035 but are still required to meet benchmarking verification and all other reporting obligations for 2031-2035.

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 2 **22.925.070 Greenhouse gas emissions intensity targets**

3           A. Table A for 22.925.070 establishes GHGITs by building activity type. The Director by  
 4 rule may revise building activity type GHGITs for 2036-2040 by December 31, 2031, for 2041-  
 5 2045 by December 31, 2036, and for 2046-2050 by December 31, 2041, based on building  
 6 performance data, evolving technology, new regulations, public service impacts, or other  
 7 relevant factors and by rule shall revise the laboratory GHGIT for 2031-2035 by December 31,  
 8 2027, for 2036-2040 by December 31, 2031, for 2041-2045 by December 31, 2036, and for  
 9 2046-2050 by December 31, 2041, based on further evaluation of the unique characteristics of  
 10 laboratory spaces, evolving technology, any relevant national standards, and other relevant  
 11 factors. If a relevant national laboratory standard has not been developed by December 31, 2027,  
 12 the laboratory GHGIT may be deferred until the date a national laboratory standard has been  
 13 developed.

<b>Table A for 22.925.070</b>				
<b>Building activity type greenhouse gas intensity targets (GHGITs)</b>				
<b>Building activity type</b>	<b>GHGITs (K<sub>G</sub>CO<sub>2</sub>e/SF/YR) by compliance interval</b>			
	2031-2035	2036-2040 <sup>1</sup>	2041-2045 <sup>1, 2</sup>	2046-2050 <sup>1, 3</sup>
College/university	2.69	1.57	0.00	0.00
Entertainment/public assembly	1.18	0.69	0.00	0.00
Fire/police station	2.23	1.30	0.00	0.00
Hospital	4.68	2.73	0.00	0.00



Hotel	2.06	1.20	0.00	0.00
K-12 school	0.95	0.56	0.00	0.00
Laboratory <sup>1</sup>	6.30	3.68	0.00	0.00
Multifamily housing <sup>3,4</sup>	0.89	0.63	0.37	0.00
Non-refrigerated warehouse	0.77	0.45	0.00	0.00
Office	0.81	0.47	0.00	0.00
Other	2.48	1.45	0.00	0.00
Recreation	3.22	1.88	0.00	0.00
Refrigerated warehouse	0.98	0.57	0.00	0.00
Residence hall/dormitory	1.16	0.68	0.00	0.00
Restaurant	5.73	3.34	0.00	0.00
Retail Store	1.03	0.60	0.00	0.00
Self-storage facility	0.31	0.18	0.00	0.00
Senior living community	2.11	1.23	0.00	0.00
Services	1.36	0.79	0.00	0.00
Supermarket/grocery store	3.42	2.00	0.00	0.00
Worship facility	1.20	0.70	0.00	0.00

Footnotes to Table A for 22.925.070

<sup>1</sup> Targets may be revised by future rule pursuant to subsection 22.925.070.A.

<sup>2</sup> Net-zero emissions by 2041-2045 for nonresidential.

<sup>3</sup> Net-zero emissions by 2046-2050 for multifamily housing.

<sup>4</sup> Pursuant to Section 22.925.110, owners of low-income housing, human service use, and low-rent housing may receive an extension from meeting the GHGITs in 2031-2035 but still must meet benchmarking verification and all other reporting obligations for 2031-2035.

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- 2           B. The Director by rule shall establish normalization factors including but not limited to
- 3 hours of operation and multifamily occupancy density that may be used when calculating the
- 4 GHGITs for covered buildings.
- 5           C. Table B for 22.925.070 establishes the emissions factors for energy sources for
- 6 calculating baseline GHGI and compliance GHGIs.

<p><b>Table B for 22.925.070</b>  <b>Greenhouse gas emissions factors</b></p>
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Energy source	Emissions factors (kgCO <sub>2</sub> e/kBtu)	
	For baseline GHGI (2019-2028)	For compliance GHGI (2031 – 2035) (Provisional)
Seattle City Light electricity	.0058	.0029
Puget Sound Energy natural gas	.053	.053
CenTrio district thermal energy	.081	.081

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E. The Director by rule shall establish the final emissions factors for energy sources for the 2031-2035 compliance interval by December 31 of 2027 and emissions factors for each subsequent compliance interval by December 31 of 2031, 2036, and 2041. The emissions factors shall remain the same during each five-year compliance interval. Emissions factors shall reflect changes in utility energy mix, regulatory requirements, and emissions factors published by the United States Environmental Protection Agency (EPA).

1. Emissions factors for fossil fuels such as oil and propane shall be the Stationary Combustion Emissions Factors published by the EPA.

2. Emissions factors for natural gas purchased directly by the building owner shall be the Stationary Combustion Emissions Factors published by the EPA.

3. Puget Sound Energy, or another gas provider, shall submit an emissions factor for natural gas, inclusive of any renewable natural gas or other renewable sources if applicable, to the Director with an accompanying report as submitted to the Washington Department of Ecology or Climate Registry.

4. Seattle City Light, or another electricity provider, shall submit an emissions factor for electricity to the Director with an accompanying report as submitted to the Washington Department of Ecology or Climate Registry.

1                   5. District thermal energy provider(s), CenTrio, its successor, or another provider,  
2 shall submit an emissions factor for district thermal energy to the Director with an accompanying  
3 report as submitted to the Washington Department of Ecology or Climate Registry.

4                   6. The emissions factors for renewable energy such as biodiesel and renewable  
5 natural gas, are dependent on the specific supply sources of the renewable energy acquired.

6 Building owners shall provide the Director with an attestation of the renewable energy  
7 purchased, verified through M-RETS, Green-e or other renewable energy tracking registry,  
8 which specifies the supply source and emissions factor of the renewable energy used.

9 Renewable energy sources, including but not limited to renewable natural gas or biodiesel, used  
10 in meeting a covered building's GHGIT shall retain their environmental attributes and shall not  
11 be double counted or disaggregated. Renewable thermal certificates, carbon offsets, and  
12 renewable energy certificates may not be used to meet a covered building's compliance  
13 obligation.

14 **22.925.080 Building greenhouse gas emissions calculations**

15           A. Building owners shall use the following procedures to establish a covered building's  
16 standard GHGIT for each compliance interval:

17                   1. For the 2031-2035 compliance intervals, building owners shall use Table A for  
18 22.925.070 to determine the standard GHGIT based on the building activity type(s) of the  
19 covered building.

20                   2. For the 2036-2040, 2041-2045, and 2046-2050 compliance intervals, building  
21 owners shall use the building activity type GHGITs established by rule to determine the standard  
22 GHGIT based on the building activity type(s) of the covered building.

1                   3. Building owners of covered buildings with more than one building activity type  
2 shall prorate the standard GHGIT based on the percent of gross floor area of each building  
3 activity type.

4                   4. Normalization factors established by rule may be used to adjust the GHGIT for  
5 activity types where appropriate.

6                   B. Building owners shall use the following procedures and formulas to determine a  
7 covered building's compliance GHGI for each compliance interval:

8                   1. The compliance GHGI for covered buildings is the sum of all GHG emissions  
9 from the building(s) minus the sum of allowed GHG emissions deductions, divided by the gross  
10 floor area of the covered building(s).

11                   Compliance GHGI = GHG emissions (CO<sub>2</sub>e/yr) – GHG deductions (CO<sub>2</sub>e/yr) /  
12 gross floor area (square feet)

13                   a. GHG emissions are the sum of the annual weather-normalized energy  
14 use of each energy source reported in ENERGY STAR Portfolio Manager in kBtu multiplied by  
15 the emissions factor for each energy source in kgCO<sub>2</sub>e/kBtu.

16                   GHG emissions (CO<sub>2</sub>e/yr) = [energy use A (kBtu/yr) A \* emissions factor  
17 A (CO<sub>2</sub>e/kBtu)] + [energy use B (kBtu/yr) \* emissions factor B (CO<sub>2</sub>e/kBtu)] + [energy use C  
18 (kBtu/yr) \* emissions factor C (CO<sub>2</sub>e/kBtu)]

19                   b. GHG emissions deductions are the sum of the annual GHG emissions of  
20 the specific end uses listed in Section 22.925.120.

21                   2. To calculate a covered building's compliance GHGI, building owners shall use  
22 verified energy benchmarking data. Building owners may use either:

1 a. Twelve consecutive months of verified energy benchmarking data from  
2 the time period preceding the covered building's GHGIT compliance deadline. The 12-month  
3 period may run from January 1-December 31 or from July 1-June 30; or

4 b. The annual average of 24 consecutive months of verified energy  
5 benchmarking data from the time period preceding the covered building's GHGIT compliance  
6 deadline. The 24-month period may run from January 1-December 31 or from July 1-June 30.

7 C. The Director by rule shall establish the years and particular 12-month period(s)  
8 allowed for baseline GHGIs used in alternative compliance calculations for covered buildings.

9 D. Building owners with covered buildings approved to use alternate GHGITs shall use  
10 the following formulas to calculate the alternate GHGITs for each compliance interval:

11 1. A nonresidential building's alternate GHGITs for their compliance deadline in  
12 each compliance interval shall be calculated as follows. Net-zero emissions shall be achieved by  
13 the compliance deadline in the 2041-2045 compliance interval.

14 a. Sixty-six percent of the baseline GHGI for the 2031-2035 compliance  
15 interval.

$$\text{Alternate GHGIT (CO}_2\text{e/SF/yr)} = \text{baseline GHGI (CO}_2\text{e/SF/yr)} * .66$$

17 b. Thirty-three percent of the baseline GHGI for the 2036-2040  
18 compliance interval.

$$\text{Alternate GHGIT (CO}_2\text{e/SF/yr)} = \text{baseline GHGI (CO}_2\text{e/SF/yr)} * .33$$

20 2. A multifamily building's alternate GHGITs for their compliance deadline in  
21 each compliance interval shall be calculated as follows. Net-zero emissions shall be achieved by  
22 the compliance deadline in the 2046-2050 compliance interval.

1 a. Seventy-five percent of the baseline GHGI for the 2031-2035  
2 compliance interval.

3 Alternate GHGIT (CO<sub>2</sub>e/SF/yr) = baseline GHGI (CO<sub>2</sub>e/SF/yr) \* .75

4 b. Fifty percent of the baseline GHGI for the 2036-2040 compliance  
5 interval.

6 Alternate GHGIT (CO<sub>2</sub>e/SF/yr) = baseline GHGI (CO<sub>2</sub>e/SF/yr) \* .50

7 c. Twenty-five percent of the baseline GHGI for the 2041-2045  
8 compliance interval.

9 Alternate GHGIT (CO<sub>2</sub>e/SF/yr) = baseline GHGI (CO<sub>2</sub>e/SF/yr) \* .25

10 **22.925.090 Reporting obligations**

11 Building owners shall meet the following reporting obligations by the compliance deadlines in  
12 Table A and Table B for 22.925.060, unless approved for an alternative compliance schedule in  
13 Section 22.925.100.

14 A. Building owners shall submit to the Director an energy benchmarking verification  
15 report from a qualified person documenting that the covered building's reported ENERGY  
16 STAR Portfolio Manager benchmarking data for the previous calendar year, January 1 –  
17 December 31, and for any other time period used to comply with this Chapter 22.925, is  
18 accurate.

19 B. Building owners shall submit to the Director a Seattle greenhouse gas emissions  
20 standard report, completed by a qualified person. The report shall be in a form developed by the  
21 Director and contain all of the following:

22 1. The GHGIT and the compliance GHGI for that compliance interval;

1                   2. A description and documentation of the actions completed to meet the  
2 GHGITs;

3                   3. Documentation for any approved alternative compliance option used, including  
4 baseline GHGIs and alternate GHGITs, and the list of individual buildings in a building  
5 portfolio, district campus, or connected buildings that are included in any aggregate or alternate  
6 GHGIT calculations;

7                   4. Documentation for any approved extensions or exemptions;

8                   5. Documentation of any end-use deductions allowed and used for calculating the  
9 compliance GHGIs;

10                  6. A list of major building mechanical equipment, such as equipment used for  
11 space heating and cooling, water heating, cooking, and other activities and their age and fuel  
12 sources;

13                  7. An outline of the actions needed for the building to meet subsequent GHGITs;  
14 and

15                  8. Any additional information required by the Director.

16                  C. The Director shall review and confirm that the greenhouse gas emissions standard  
17 report contains accurate information for all items required in subsection 22.925.090.B.

18 **22.925.100 Alternative compliance**

19 Building owners may apply for the following alternative compliance options, in lieu of meeting  
20 standard GHGITs, in one or more compliance intervals.

21                  A. ACP. Building owners may meet up to 100 percent of a covered building's emissions  
22 reductions required to meet the GHGIT for the 2031-2035 compliance interval with an ACP.

23                  1. The ACP shall be the greater of:

1 a. \$1,250 for covered buildings with a gross floor area of 50,000 square  
2 feet or less or \$2,500 for covered buildings with a gross floor area greater than 50,000 square  
3 feet; or

4 b. The total annual metric tons (MT) of CO<sub>2</sub>e a covered building, building  
5 portfolio, district campus or connected buildings exceeds the annual MTCO<sub>2</sub>e the building  
6 would have achieved meeting its GHGIT for the compliance year multiplied by the five years in  
7 the compliance interval and multiplied by the MTCO<sub>2</sub>e cost.

8 
$$\text{ACP} = \text{total annual MTCO}_2\text{e/yr} * 5 * \text{cost of MTCO}_2\text{e (\$/MTCO}_2\text{e)}$$

9 
$$\text{total annual MTCO}_2\text{e} = [\text{compliance GHGI (kgCO}_2\text{e/SF/yr)} - \text{GHGIT}$$
  
10 
$$\text{(kgCO}_2\text{e/SF/yr)}] * \text{gross floor area /1000}$$

11 2. The cost of each MTCO<sub>2</sub>e shall be \$190 per MTCO<sub>2</sub>e for the 2031-2035  
12 compliance interval, except that the ACP shall not exceed the penalty amount for the same  
13 compliance interval. No later than December 31, 2027, the Director by rule may raise the dollar  
14 amount per MTCO<sub>2</sub>e for the 2031-2035 compliance interval to adjust for inflation and to  
15 account for adjustments to the social cost of carbon by a relevant government agency.

16 B. Aggregate standard GHGIT. Building owners with a building portfolio, district  
17 campus, or connected buildings may use an aggregate standard GHGIT for the covered buildings  
18 within the building portfolio, district campus, or connected buildings using the calculations in  
19 Section 22.925.080. When a building portfolio, district campus, or connected buildings includes  
20 a landmark building(s) or building(s) within a historic district approved for a decarbonization  
21 compliance plan under subsection 22.925.100.E.2.b, the building(s) may be excluded from the  
22 portfolio, district campus or connected buildings for the purposes of calculating the aggregate  
23 standard GHGIT.



1 C. Alternate GHGIT. Building owners of covered buildings that meet one of the  
2 following criteria may use alternate GHGITs for each compliance interval, calculated according  
3 to Section 22.925.080. A building owner shall apply for and receive approval for alternate  
4 GHGITs before the covered building's first compliance deadline and shall use the approved  
5 alternate GHGITs for each subsequent compliance interval. A building owner may apply to  
6 amend the alternate GHGIT or baseline GHGI when one or more of the metrics used to calculate  
7 the alternate GHGIT or baseline GHGI have changed.

- 8 1. District campus, connected buildings, or public/nonprofit building portfolio.
- 9 2. A nonresidential building with more than 50 percent of the covered building  
10 with the building activity type of "Other" or of a type not covered in Table A for 22.925.070.
- 11 3. A covered building that has a baseline GHGI greater than three and one-half-  
12 times the covered building's standard GHGIT for the 2031-2035 compliance interval.

$$\text{Baseline GHGI (CO}_2\text{e/SF/yr)} > 3.5 * \text{standard GHGIT (CO}_2\text{e/SF/yr)}$$

14 D. Prescriptive options. A building owner may utilize one or more prescriptive options  
15 for a multifamily building in lieu of meeting its GHGIT during the 2031-2035, 2036-2040, or  
16 2041-2045 compliance intervals. Each prescriptive option shall only be used for one compliance  
17 interval. Prescriptive options include:

- 18 1. Replacing existing fossil fuel combustion service hot water system(s) with  
19 electric heat pump water heating (HPWH) system(s) in compliance with the current Seattle  
20 Energy Code, including all systems serving the residential units and residential common areas. In  
21 residential condominium buildings, only the mechanical systems, equipment, and appliances  
22 serving common areas and/or multiple residential units need to be replaced.

1                   2. Replacing existing fossil fuel combustion HVAC heating system equipment  
2 with electric heat pump systems or in-unit electric resistance in compliance with the current  
3 Seattle Energy Code, including all equipment serving the residential units and residential  
4 common areas. In residential condominium buildings, only the systems serving common areas  
5 and/or multiple residential units need to be replaced.

6                   E. Decarbonization compliance plan. Building owners with extenuating circumstances  
7 that make complying with the compliance schedule or meeting the GHGITs a significant  
8 hardship for an individual building may apply to use a decarbonization compliance plan for  
9 achieving net-zero greenhouse gas emissions or an approved low emissions GHGIT by 2041-  
10 2050. The public owner of a building portfolio whose primary purpose is to provide education at  
11 no cost and who is funded through state and local taxes may apply to use a decarbonization  
12 compliance plan covering multiple buildings within the owner’s building portfolio.

13                   1. Extenuating circumstances for which an owner can use a decarbonization  
14 compliance plan for an individual building to achieve net-zero greenhouse gas emissions by  
15 2041-2050 include:

16                               a. When a substantial alteration under Section 307 of the Seattle Existing  
17 Building Code will be undertaken concurrently with building upgrades necessary to meet a  
18 covered building’s GHGIT.

19                               b. When seismic upgrades for a covered building with unreinforced  
20 masonry will be undertaken concurrently with building upgrades necessary to meet the covered  
21 building’s GHGIT.

1 c. When building upgrades necessary to meet the GHGIT include the  
2 installation of significant electrical infrastructure upgrades to increase electric capacity in the  
3 building, such as adding a new transformer vault.

4 d. When building upgrades necessary to meet the GHGIT would require  
5 the replacement of HVAC heating system equipment or service hot water equipment already  
6 vested under the Seattle Energy Code by the effective date of this ordinance and that equipment  
7 has not yet reached a defined percentage of life expectancy. Standardized equipment life  
8 expectancy and defined percentage of life expectancy shall be established by rule.

9 e. When the building upgrades necessary to meet the GHGIT would  
10 require access to a laboratory, or an in-patient or emergency healthcare facility, that must  
11 maintain non-interruptible operations.

12 f. When the owner of a covered building has a tenant lease in place  
13 before the effective date of this ordinance that specifically precludes owner access to equipment  
14 on which work would be required to meet the GHGIT. This extenuating circumstance is only  
15 available for the 2031-2035 compliance interval.

16 g. When there are no practicable low and zero GHG emissions alternatives  
17 available on the market for a necessary function.

18 2. Extenuating circumstances for which an owner can use a decarbonization  
19 compliance plan for an individual building to achieve an approved low emissions GHGIT by  
20 2041-2050 include:

21 a. When upgrades necessary to meet net-zero emissions in a low-income  
22 housing multifamily building are infeasible.

1                           b. When building upgrades necessary to meet net-zero emissions would  
2 adversely affect the special features or characteristics of a landmark identified in the designating  
3 ordinance or designation report, or would compromise the historic integrity of a building within  
4 a historic district, as determined by either the City’s Historic Preservation Officer, or historic  
5 board or commission, whichever has authority to grant or deny a Certificate of Approval for the  
6 building upgrades.

7                           c. When structural or electrical capacity upgrades necessary to meet net-  
8 zero emissions are infeasible due to distinct technical and/or physical limitations of the covered  
9 building.

10                          d. When a cost analysis of the measures necessary to meet net-zero  
11 emissions and a property valuation or other business financial analysis, whose content shall be  
12 determined by rule, can demonstrate that the incremental cost of meeting net-zero would create  
13 financial distress to the building.

14                          e. When there are no practicable zero GHG emissions alternatives  
15 available on the market for a necessary function.

16                          3. Decarbonization compliance plans shall be completed by a qualified person and  
17 shall be updated and submitted prior to each compliance interval.

18                          4. Decarbonization compliance plans shall be resubmitted for reapproval by OSE  
19 to reflect any changes in building use, major tenants, or management, or other circumstances that  
20 may impact compliance.

21                          5. If the building ownership changes, the plan must be resubmitted to the Director  
22 by the new owner for approval.

23                          6. Decarbonization compliance plans must include the following:

1 a. A building energy and greenhouse gas emissions audit and an analysis  
2 of energy efficiency and greenhouse gas emissions reduction actions.

3 b. Incremental GHGITs and the final GHGIT for the building, and energy  
4 efficiency and/or greenhouse gas reduction measures that will be taken for each compliance  
5 interval.

6 c. Any additional content specified by decarbonization plan provisions in  
7 the Seattle Energy Code.

8 d. A cost analysis for achieving the incremental and final GHGITs for  
9 each compliance interval covered by the plan. The cost analysis shall be in a form developed by  
10 the Director by rule and shall include, at a minimum, the incremental cost of any equipment or  
11 other upgrades needed to meet the GHGIT above standard asset replacement costs or business-  
12 as-usual conditions. The analysis must include the social cost of carbon, utility cost savings,  
13 available grants, incentives, tax deductions or other financial incentives, and any additional  
14 information required by the Director.

15 e. Any additional information required by the Director to demonstrate the  
16 building meets one of the extenuating circumstances in subsections 22.925.100.E.1 and  
17 22.925.100.E.2.

18 F. District campus decarbonization compliance plan. A district campus that can  
19 demonstrate through a campus decarbonization compliance plan that upgrades to the district  
20 campus plant will generate cumulative emissions reductions from 2028 – 2050 that are equal to  
21 or greater than the cumulative emissions reductions that would be achieved by meeting standard  
22 or alternate GHGITs may submit a campus decarbonization compliance plan to OSE for

1 approval. The plan content and form shall be specified by rule, but shall at a minimum meet the  
2 decarbonization compliance plan standards under subsection 22.925.100.E.6.

3 **22.925.110 Extensions and exemptions**

4 A. Building owners with covered buildings with one or more of the following conditions  
5 may apply for an extension from meeting GHGITs, benchmarking verification, and/or reporting  
6 requirements for one or more compliance intervals.

7 1. A newly constructed covered building that receives a certificate of occupancy  
8 less than three years before its compliance date may receive an extension for one compliance  
9 interval from meeting the requirements of this Chapter 22.925.

10 2. Covered buildings under pre-existing financial distress at their compliance date  
11 may receive an extension from meeting the requirements of this Chapter 22.925 for each  
12 compliance interval they remain under financial distress.

13 3. A covered building with a high rental vacancy rate, as determined by rule,  
14 during a consecutive 12-month period within the 36-months preceding the relevant compliance  
15 date may receive an extension from meeting the GHGIT for one compliance interval. Building  
16 owners must still meet benchmarking verification and all reporting obligations.

17 4. Low-income housing and covered buildings with more than 50 percent of the  
18 building occupied by human service uses may receive an extension from meeting the GHGITs in  
19 the 2031-2035 compliance interval. Building owners must meet benchmarking verification and  
20 all reporting obligations for the 2031-2035 compliance interval and must meet the GHGITs for  
21 all subsequent compliance intervals.

22 5. Low-income housing may receive an extension from meeting the GHGITs in  
23 the 2036-2040 compliance interval when a pre-established refinancing date would not occur until

1 after the covered building’s compliance deadline in 2036-2040. Building owners must meet  
2 benchmarking verification and all reporting obligations for the 2036-2040 compliance interval  
3 and must meet the GHGITs for all subsequent compliance intervals.

4           6. Low-rent housing may receive an extension from meeting the GHGITs in the  
5 2031-2035 compliance interval. Building owners must meet benchmarking verification and all  
6 reporting obligations for the 2031-2035 compliance interval and must meet the GHGITs for all  
7 subsequent compliance intervals.

8           B. Building owners with covered buildings with one or more of the following conditions  
9 may apply for an exemption from meeting GHGITs, benchmarking verification, and/or reporting  
10 requirements for one or more compliance intervals.

11           1. A covered building that has extremely low emissions due to using only electric  
12 energy may be exempt from meeting the GHGITs and from submitting a greenhouse gas  
13 emissions standard report for all compliance intervals but must meet benchmarking verification  
14 and reporting requirements for each compliance interval. Residential condominiums may meet  
15 this exemption when all space and water heating systems, and other equipment and appliances,  
16 under common ownership use only electric energy sources.

17           2. A covered building scheduled to be demolished within three years of a  
18 compliance deadline for any compliance interval may be exempt from meeting all requirements  
19 of this Chapter 22.925. If the covered building is not demolished within three years of the  
20 exemption approval, the building owner shall comply with all subsequent requirements of this  
21 Chapter 22.925.

22 **22.925.120 End use deductions**

1 Building owners may deduct the sum of the annual GHG emissions from the following end uses  
2 from their compliance GHGI, for one or more compliance intervals.

3 A. Fossil fuel cooking equipment. This deduction may only be used for the 2031-2035  
4 and 2036-2040 compliance intervals.

5 B. Fossil fuel high intensity process equipment used in hospitals and laboratories, and  
6 fossil fuel high intensity laundry equipment used in hotels and healthcare. This deduction may  
7 only be used for the 2031-2035 and 2036-2040 compliance intervals.

8 C. Fossil fuel equipment located within an individually owned residential unit within a  
9 multifamily condominium building.

10 D. Electric vehicle charging equipment that transfers electricity to batteries or other  
11 energy storage devices in electric vehicles or for electric loads related to broadcast antennas, on-  
12 site cell phone towers or other communications equipment that is unrelated to the primary  
13 purpose of the building.

14 E. Fossil fuel generators used exclusively for emergency power back-up power or fossil-  
15 fuel equipment used for back-up emergency heat in hospitals and laboratories.

16 F. Emissions from district energy steam, hot water and/or chilled water provided by a  
17 private district energy provider. This deduction may only be used: (1) for the 2031-2035  
18 compliance interval, and (2) if the building owner has a contract for district thermal energy with  
19 a private district energy provider that was established prior to June 1, 2024, where a breach of  
20 contract would impose a financial penalty on the building owner.

21 G. The Director by rule may add end uses for highly specialized equipment and add  
22 compliance intervals for which the end use deduction applies based on technological and market  
23 availability of low and zero GHG emissions alternatives.



1 **22.925.130 General provisions**

2           A. OSE shall provide compliance support to owners and tenants of covered buildings  
3 including, but not limited to, outreach and informational materials, phone and email  
4 consultations, tools to support understanding and calculating GHGIs and GHGITs, and periodic  
5 training and informational workshops.

6           B. Unless otherwise restricted by state or City regulations, tenants shall allow building  
7 owners access to mechanical systems and utility information as necessary to comply with the  
8 terms of this Chapter 22.925.

9           C. OSE shall annually publish data on compliance status, and energy and emissions  
10 performance.

11           D. Beginning in 2026, available data related to the implementation and impact of the  
12 Building Emissions Performance Standard, as well as overall building performance, shall be  
13 incorporated into OSE climate reporting and performance monitoring, such as the biennial GHG  
14 Inventory and the Climate Portal.

15           E. By December 31, 2031, and every five years thereafter, OSE shall provide a report to  
16 the Mayor and City Council on implementation of the Building Emissions Performance Standard  
17 established under this Chapter 22.925, including compliance rates, total emissions reductions, the  
18 impact of the policy on achieving Seattle’s climate goals, building upgrade actions and costs, an  
19 overview of technical and financial support provided for covered buildings, as well as other  
20 information relevant to implementation of this Standard such as evolving technology, climate  
21 science and impacts, and/or market conditions. By December 31, 2033, OSE shall conduct a  
22 preliminary assessment of emissions reductions and compliance rates, including percentages  
23 complying early and/or utilizing alternative compliance options.

1 **22.925.140 Revenue expenditures**

2           A. Revenue collected under Chapter 22.920, this Chapter 22.925, and Chapter 22.930  
3 from fines, fees, and alternative compliance payments shall be spent on programs and activities  
4 to reduce greenhouse gas emissions from nonresidential, multifamily, and single family  
5 buildings, including technical and financial assistance to building owners and tenants with at  
6 least 40 percent of the revenue collected prioritized towards buildings serving people with low or  
7 no incomes and communities historically most harmed by economic, racial, and environmental  
8 injustice.

9           B. The City shall establish an early adopter incentive program providing incentives and  
10 technical assistance.

11 **22.925.150 Violations**

12 It is a violation of this Chapter 22.925 for any person or entity to fail to comply with its  
13 requirements or misrepresent any material fact in a document required to be prepared or  
14 disclosed by this Chapter 22.925 or rules adopted under it.

15 **22.925.160 Authority to enforce**

16           A. The Director may enforce this Chapter 22.925.

17           B. This Chapter 22.925 shall be enforced for the benefit of the health, safety, and welfare  
18 of the general public, and not for the benefit of any particular person or class of persons.

19           C. It is the intent of this Chapter 22.925 to place the obligation of complying with its  
20 requirements upon the building owners.

21           D. No provision or term used in this Chapter 22.925 is intended to impose any duty upon  
22 the City or any of its officers or employees that would subject them to damages in a civil action.

1 E. The Director may delegate the enforcement of any provision of this Chapter 22.925,  
2 including but not limited to the authority to investigate and determine if any building owner  
3 subject to this Chapter 22.925 has not complied with its requirements, to issue notices of  
4 violation, and to collect assessed fines.

5 **22.925.170 Investigating violations and issuing notices of violation**

6 A. The Director is authorized to investigate and determine if any building owner, tenant,  
7 or other person has complied or not complied with the requirements of this Chapter 22.925.

8 B. If after investigation, the Director determines that the requirements of this Chapter  
9 22.925 have been violated, the Director may issue a notice of violation to the building owner,  
10 tenant or other person subject to this Chapter 22.925.

11 C. The notice of violation shall state separately each requirement that was violated, state  
12 what corrective action is necessary to comply with the requirements, set a reasonable time for  
13 compliance, and state any penalties or fines imposed.

14 D. The notice of violation shall be served on the building owner, tenant, or other person  
15 subject to this Chapter 22.925 in the manner set forth in RCW 4.28.080 for service of a summons  
16 or sent by first class mail, addressed to the last known address of such person(s). Service shall be  
17 complete at the time of personal service, or, if mailed, three days following the date of mailing.

18 E. If any building owner, tenant, or other person fails to correct the violation, a copy of  
19 the notice of violation may be filed with the King County Recorder's Office.

20 F. Nothing in this Section 22.925.170 shall be deemed to limit or preclude any action or  
21 proceeding to enforce this Chapter 22.925, nor does anything in Section 22.925.170 obligate the  
22 Director to issue a notice of violation prior to initiating a civil enforcement action.

23 **22.925.180 Penalties**

1           A. Penalties for the failure of a building owner to comply with this Chapter 22.925 shall  
2 be imposed as follows for each five-year interval pursuant to the compliance schedule in Section  
3 22.925.060.

4                   1. Fines for the failure of a building owner to comply with the reporting  
5 obligations of Section 22.925.090 shall be imposed 360 days after the due date for the failure to  
6 submit the reports; however, no fine shall be imposed when a building owner cannot comply  
7 with the reporting obligations due to a tenant's failure to provide information required under  
8 Section 22.925.130:

9                           a. For covered buildings with gross floor area greater than 50,000 square  
10 feet a fine of \$15,000 shall be imposed.

11                           b. For covered buildings with gross floor area equal to or fewer than  
12 50,000 square feet, a fine of \$7,500 shall be imposed.

13                   2. If the Director determines that a building owner has submitted an inaccurate  
14 report as required by Section 22.925.090, the Director may seek the following remedies, in  
15 addition to any other remedies authorized by law or equity:

16                           a. For covered buildings with gross floor area greater than 50,000 square  
17 feet, a \$15,000 fine shall be imposed.

18                           b. For covered buildings with gross floor area equal to or fewer than  
19 50,000 square feet, a \$7,500 fine shall be imposed.

20                   3. Fines for the failure of a building owner to demonstrate that they have met the  
21 GHGITs as required by Section 22.925.070, or complied with an alternative compliance option,  
22 shall be imposed 360 days after the compliance date for each compliance interval listed in  
23 Section 22.925.060. A fine of \$10 per square foot for nonresidential buildings, \$7.50 per square

1 foot for multifamily buildings, and \$2.50 per square foot for low-income housing or low-rent  
2 housing shall be based on the gross floor area reported by the building owner for the covered  
3 building's most current verified energy benchmarking report. If a verified benchmarking report  
4 has not been submitted to the City, the fine shall be based on the covered building's gross square  
5 feet listed in the King County Assessor's property detail record. Owners of covered buildings  
6 using the building portfolio, district campus, or connected buildings reporting options will be  
7 assessed a fine based on the total gross floor area of all buildings greater than 20,000 square feet  
8 in the building portfolio, district campus, or connected buildings, and prorated by square foot if  
9 there are multiple owners of a district campus or connected buildings.

10           4. When an owner has achieved a GHGI that is no more than 120 percent of the  
11 GHGIT, the Director may adjust the fine amount imposed through the appeal process on the  
12 building owner in consideration of the proportional impact on the building's compliance GHGI.

13           5. When the owner is a public entity funded through state and/or local taxes the  
14 Director may consider adjustments to the fine amount imposed on the building owner through  
15 the appeal process in consideration of any potential conflicting impacts related to climate change  
16 and delivery of public services.

17           6. When failure to meet the required GHGITs is due to a tenant's failure to  
18 provide access to mechanical systems as required under Section 22.925.130, the Director may  
19 adjust the fine amount imposed on the building owner considering the proportional impact on the  
20 building's compliance GHGI.

21           B. If the Director determines that a tenant has failed to allow access to mechanical  
22 systems or provide utility information to a building owner as required under Section 22.925.130,

1 the Director may, in addition to any other remedy authorized by law or equity, impose a fine on  
2 the tenant as follows. For tenant spaces with a gross floor area:

3           1. Greater than 20,000 square feet, a fine of \$2.50 per square foot for low-income  
4 housing or low-rent housing, \$7.50 per square foot for a multifamily building activity type that is  
5 not low-income housing or low-rent housing, and \$10 per square foot for all other building  
6 activity types, shall be imposed.

7           2. Greater than or equal to 5,000 square feet but not more than 20,000 square feet,  
8 a fine of \$2,500 shall be imposed.

9           3. Less than 5,000 square feet, a fine of \$500 shall be imposed.

10           C. The Director may establish grace periods for imposing fines for any class of structure  
11 upon a finding that such grace period will facilitate the submission of reports, accurate reporting,  
12 compliance with greenhouse gas emissions reduction requirements, or otherwise further the  
13 purposes of this Chapter 22.925.

14           D. The Director by rule may raise penalty amounts to adjust for compliance rates,  
15 inflation or other relevant market conditions. Penalty amounts may not be adjusted for  
16 compliance intervals before 2036.

17           E. The Director by rule shall establish revised penalty amounts by October 1, 2034, for  
18 compliance from 2036 to 2040, and every five years thereafter for subsequent compliance  
19 intervals.

20 **22.925.190 Response to notice of violations**

21           A. A building owner, tenant, or other person who receives a notice of violation must  
22 respond by:

1                   1. Paying the amount of the penalty specified in the notice of violation, in which  
2 case the record shall show a finding that the person cited committed the violation; or

3                   2. Requesting in writing, via email or U.S. mail, an administrative review in  
4 accordance with Section 22.925.200 and providing an email address and/or physical mailing  
5 address to which a building emissions performance standard violation appeal form may be sent if  
6 completing an online emissions performance standard violation appeal form is not possible or  
7 preferred.

8                   B. A response to a notice of violation must be received by the Director no later than 30  
9 days after the date that service of the notice of violation is complete. When the last day of the  
10 administrative review appeal period so computed is a Saturday, Sunday, or federal or City  
11 holiday, the period shall run until 5 p.m. on the next business day.

12                  C. If there is no response to a notice of violation, the Director shall enter an order finding  
13 that the person or entity committed the violation stated in the notice of violation and assessing  
14 the penalty specified in the notice of violation.

15 **22.925.200 Director’s administrative review of notice of violation**

16                  A. A notice of violation shall be subject to administrative review if the aggrieved party  
17 requests in writing a review by the Director within 30 days after service of the notice of  
18 violation. When the last day of the review period is a Saturday, Sunday, or federal or City  
19 holiday, the period shall run until 5 p.m. on the next business day.

20                  B. To be considered by the Director, the written request for review must be submitted  
21 with the building emissions performance standard violation appeal form, which must document  
22 the reason for the review.

1 C. After receiving a request for review, the Director shall notify the requesting party, the  
2 building owner who was issued a notice of violation, and any person who requested notice of the  
3 review that a request for review has been received.

4 D. The Director shall review the basis for issuing the notice of violation and the building  
5 emissions performance standard violation appeal form. The Director may request clarification of  
6 information received, or may request more information from either the requesting party or the  
7 department. After the review is completed, the Director may sustain, withdraw, modify, or  
8 amend the notice of violation, or continue the review to a date certain for receipt of additional  
9 information.

10 E. The Director's administrative review decision is final. An aggrieved party may submit  
11 a request for a mitigation hearing or a contested hearing before the Hearing Examiner in  
12 accordance with Sections 22.925.230 and 22.925.240.

13 F. The Director by rule may establish grace periods for submitting an NOV appeal for  
14 administrative review.

15 **22.925.210 Failure to respond to an administrative review decision**

16 If a building owner, tenant, or other person who received a notice of violation fails to respond to  
17 an administrative review decision within 15 days of service, the Director shall enter an order  
18 finding that the person or entity committed the violation stated in the notice of violation and  
19 assessing the penalty specified in the notice of violation.

20 **22.925.220 Response to an administrative review decision**

21 A. A building owner, tenant, or other notice of violation recipient must respond to an  
22 administrative review decision by:



1                   1. Paying the amount of the penalty specified in the notice of violation, in which  
2 case the record shall show a finding that the violation was committed;

3                   2. Requesting in writing a mitigation hearing to explain the circumstances  
4 surrounding the commission of the violation and providing a mailing address to which notice of  
5 such hearing may be sent; or

6                   3. Requesting in writing a contested hearing and such request shall include the  
7 reason why the cited violation did not occur or why the party who received a notice of violation  
8 is not responsible for the violation, and a mailing address to which notice of such hearing may be  
9 sent.

10                  B. A response to an administrative review decision must be received by the Office of the  
11 Hearing Examiner no later than 15 days after the date the administrative review decision is  
12 served. When the last day of the appeal period so computed is a Saturday, Sunday, or federal or  
13 City holiday, the period shall run until 5 p.m. on the next business day.

14 **22.925.230 Administrative review decision mitigation hearings**

15                  A. Date and notice. If there is a request for a mitigation hearing, the mitigation hearing  
16 shall be held within 30 days after a written response to the administrative review decision  
17 requesting a hearing is received by the Hearing Examiner. Notice of the time, place, and date of  
18 the hearing will be sent in accordance with Section 3.02.090 not less than ten days prior to the  
19 hearing date.

20                  B. Procedure at hearing. The Hearing Examiner shall hold an informal hearing which  
21 shall not be governed by the Rules of Evidence. The aggrieved party may present witnesses;  
22 however, witnesses may not be compelled to attend. The Director's representative may also be

1 present and may present additional information; however, attendance by a representative from  
2 the City or the Director is not required.

3 C. Disposition. The Hearing Examiner shall determine whether the aggrieved party's  
4 explanation justifies reduction of the penalty; however, the penalty may not be reduced unless  
5 the Director affirms or certifies that the violation has been corrected prior to the mitigation  
6 hearing. Factors that may be considered in whether to reduce the penalty include but are not  
7 limited to the following: whether the violation was caused by the act, neglect, or abuse of  
8 another; whether correction of the violation was commenced promptly prior to notice of  
9 violation; or whether full compliance was prevented by a condition or circumstance beyond the  
10 control of the party receiving the notice of violation.

11 **22.925.240 Contested hearings**

12 A. Date and notice. If a building owner, tenant, or other party who received a notice of  
13 violation, requests a contested hearing, the hearing shall be held within 60 days after the Hearing  
14 Examiner has received a written response to the administrative review decision requesting such  
15 hearing.

16 B. Hearing. Contested hearings shall be conducted pursuant to the procedures for hearing  
17 contested cases contained in Section 3.02.090 and the rules adopted by the Hearing Examiner for  
18 hearing contested cases, except as modified by this Section 22.925.240. The issues heard at the  
19 hearing shall be limited to those that are raised in writing in the response to the notice of  
20 violation and that are within the jurisdiction of the Hearing Examiner. The Hearing Examiner  
21 may issue subpoenas for the attendance of witnesses and the production of documents.

22 C. Sufficiency. No notice of violation shall be deemed insufficient for failure to contain a  
23 detailed statement of the facts constituting the specific violation which the party is alleged to

1 have committed or by reason of defects or imperfections, provided such lack of detail, or defects  
2 or imperfections do not prejudice substantial rights of the party receiving the notice of violation.

3 D. Amendment of notice of violation. A notice of violation may be amended prior to the  
4 conclusion of the hearing to conform to the evidence presented if substantial rights of the  
5 recipient are not prejudiced.

6 E. Evidence at hearing

7 1. The certified statement or declaration authorized by RCW 5.50.050 submitted  
8 by the Director shall be prima facie evidence that a violation occurred, and that the party is  
9 responsible. The certified statement or declaration of the Director authorized under RCW  
10 5.50.050 and any other evidence accompanying the report shall be admissible without further  
11 evidentiary foundation.

12 2. Any certifications or declarations authorized under RCW 5.50.050 shall also be  
13 admissible without further evidentiary foundation. The party may rebut the evidence and  
14 establish that the violation(s) did not occur or that the party contesting the notice of violation is  
15 not responsible for the violation.

16 F. Disposition. If the notice of violation is sustained at the hearing, the Hearing Examiner  
17 shall enter an order finding that the person committed the violation. If the violation remains  
18 uncorrected, the Hearing Examiner shall impose the applicable penalty. The Hearing Examiner  
19 may reduce the monetary penalty in accordance with the mitigation provisions in Section  
20 22.925.230 if the violation has been corrected. If the Hearing Examiner determines that the  
21 violation did not occur, the Hearing Examiner shall enter an order dismissing the notice of  
22 violation.

1           G. Appeal. The Hearing Examiner's decision is the final decision of the City. Any judicial  
2 review must be commenced by applying for a writ of review in the King County Superior Court  
3 within 14 days from the date of the decision in accordance with the procedure set forth in chapter  
4 7.16 RCW, other applicable law, and court rules.

5 **22.925.250 Failure to appear for notice of violation hearing**

6 Failure to appear for a requested hearing will result in an order being entered finding that the  
7 party committed the violation stated in the notice of violation and assessing the penalty specified  
8 in the notice of violation. For good cause shown and upon terms the Hearing Examiner deems  
9 just, the Hearing Examiner may set aside an order entered upon a failure to appear.

10 **22.925.260 Collection of notice of violation penalties**

11 If the notice of violation recipient fails to pay a penalty imposed pursuant to this Chapter 22.925,  
12 the penalty may be referred to a collection agency. The cost to the City for the collection services  
13 will be assessed as costs, at the rate agreed to between the City and the collection agency, and  
14 added to the penalty. Alternatively, the City may pursue collection in any other manner allowed  
15 by law.

16 **22.925.270 Referral to City Attorney for enforcement**

17 If a building owner fails to correct a violation or pay a penalty, the Director shall refer the matter  
18 to the City Attorney's Office for civil enforcement action. Civil actions to enforce a violation of  
19 this Chapter 22.925 shall be brought exclusively in Seattle Municipal Court.

20 **22.925.280 Appeal to Superior Court**

21 Because civil enforcement actions under this Chapter 22.925 are brought exclusively in  
22 Municipal Court, notices of violations are not subject to judicial review under chapter 36.70C

1 RCW. Final decisions of the Municipal Court may be appealed under the Rules for Appeal of  
 2 Decisions of Courts of Limited Jurisdiction.

3 Section 2. Section 22.920.010 of the Seattle Municipal Code, last amended by Ordinance  
 4 123993, is amended as follows:

5 **22.920.010 Applicability**

6 A. This ~~((chapter))~~ Chapter 22.920 applies to all nonresidential and multi-family  
 7 benchmarking buildings as defined in the following table:

Description	Reporting <del>((Requirements))</del> <u>requirements</u>
1. A structure or any portion of a structure <del>((which))</del> <u>that</u> :	Nonresidential benchmarking
	<del>((a))</del> <u>Is subject to the provisions of the Seattle Building Code, and</u>
	<u>a) <del>((b))</del> Has a gross floor area of more than 20,000 square feet<del>((, excluding))</del> <u>(gross floor area excludes parking), and</u></u>
	<u>b) <del>((e))</del> Is any classified occupancy under the Seattle Building Code other than Residential R-2 <u>or R-3.</u></u>
2. A structure or any portion of a structure <del>((which))</del> <u>that</u> :	Multi-family benchmarking
	<u>a) Has a gross floor area of more than 20,000 square feet<del>((, excluding))</del> <u>(gross floor area excludes parking), and</u></u>
	<u>b) Is classified under the Seattle Building Code as a Residential Group R-2 occupancy.</u>

3. A structure or any portion of a structure ( <del>(which)</del> ) <u>that</u> :	Encourage voluntary benchmarking compliance
	a) Has a gross area of less than 20,000 square feet excluding parking.
	b) Is classified under the Seattle Building Code as a Residential Group R-2 occupancy.
4. Buildings subject to the Seattle Residential Code( <del>(-)</del> )	Exempt
5. All others not listed	Exempt

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B. Building owners shall comply with the nonresidential-benchmarking building standards when 50(~~(%)~~) percent or more of the gross building area, excluding parking, is used for nonresidential-benchmarking building uses(~~(- and)~~) .

C. Building owners shall comply with the multi-family-benchmarking building standards when more than 50(~~(%)~~) percent of the gross building area, excluding parking, is used for multi-family-benchmarking building uses.

D. This Chapter 22.920 shall not apply to buildings used primarily for industrial manufacturing purposes.

~~E. ((The Office of Sustainability shall investigate new approaches for energy benchmarking and reporting in commercial and multifamily buildings under 20,000 square feet and report back to the Seattle City Council by April 1, 2014.~~

~~F.))~~ The Director (~~(shall have the authority to)~~) may provide for grace periods.

Section 3. Section 22.920.020 of the Seattle Municipal Code, last amended by Ordinance 124919, is amended as follows:

**22.920.020 Definitions**

1 For purposes of this (~~chapter~~) Chapter 22.920 (~~only, the following words shall mean~~):

2 \* \* \*

3 "Director" means the Director of the (~~Seattle Department of Construction and~~  
4 ~~Inspections~~) Office of Sustainability and Environment or the Director's designee, and includes  
5 any person or agency or representative of such person or agency to whom authority is delegated  
6 under this Chapter 22.920.

7 \* \* \*

8 "Energy Benchmarking" means the assessment of a building's energy use, greenhouse  
9 gas emissions, and efficiency.

10 \* \* \*

11 Section 4. Section 22.920.030 of the Seattle Municipal Code, last amended by Ordinance  
12 123993, is amended as follows:

13 **22.920.030** (~~(Nonresidential benchmarking buildings—preparing)~~) **Preparing energy and**  
14 **emissions benchmarking reports**

15 Building owners of each building subject to nonresidential or multi-family benchmarking  
16 requirements shall provide to the Director, using the Energy Star Portfolio Manager or a similar  
17 rating system and in such form as established by Director's rule, energy and emissions  
18 benchmarking reports and, where available, energy and emissions performance ratings for each  
19 building according to the following schedule:

20 (~~A. For buildings larger than 50,000 square feet and having an initial occupancy date~~  
21 ~~before January 1, 2010, reports and ratings pertaining to benchmarking for the year 2011 shall be~~  
22 ~~submitted by October 1, 2012. Reports and ratings pertaining to benchmarking for the year 2012~~

1 ~~shall be submitted by April 1, 2013, and thereafter, annual reports and ratings for each~~  
2 ~~subsequent year shall be due each April 1st;~~

3 ~~B. For buildings smaller than 50,000 square feet and larger than 20,000 square feet and~~  
4 ~~having an initial occupancy date before January 1, 2012, reports and ratings pertaining to~~  
5 ~~benchmarking for the year 2012 shall be submitted by April 1, 2013, and thereafter, annual~~  
6 ~~reports and ratings for each subsequent year shall be due each April 1st; and~~

7 ~~C. By one year after the initial occupancy date for all other buildings having an initial~~  
8 ~~occupancy date of January 1, 2012 or later.))~~

9 A. For buildings having an initial occupancy date of January 1, 2023, or later, reports and  
10 ratings pertaining to benchmarking for the year shall be submitted by June 1, 2024, and each  
11 subsequent June 1 thereafter of the year following a complete calendar year of occupancy, as  
12 determined by the date the Certificate of Occupancy is issued.

13 B. Newly constructed covered buildings that are not subject to benchmarking verification  
14 pursuant to the compliance deadlines in Section 22.925.060 shall have a qualified person (as  
15 defined by Section 22.925.020) verify benchmarking data for the first required benchmarking  
16 report under this Chapter 22.920 with other conditions established by rule.

17 Section 5. Section 22.920.040 of the Seattle Municipal Code, last amended by Ordinance  
18 123993, is repealed:

19 ~~((22.920.040 Multi-family benchmarking buildings – preparing energy benchmarking~~  
20 ~~reports~~

21 ~~Building owners of each building subject to multi-family benchmarking requirements shall~~  
22 ~~provide to the Director, using the Energy Star Portfolio Manager or a similar rating system and~~



1 ~~in such form as established by Director's rule, energy benchmarking reports and, where available,~~  
2 ~~energy performance ratings for each building according to the following schedule:~~

3 ~~A. By October 1, 2012 and by April 1 annually thereafter for buildings larger than 50,000~~  
4 ~~square feet having an initial occupancy date before January 1, 2011;~~

5 ~~B. By April 1, 2013 and by April 1 annually thereafter for buildings larger than 20,000~~  
6 ~~square feet having an initial occupancy date after January 1, 2011 and before January 1, 2012;~~

7 ~~and~~

8 ~~C. By one year after the date of initial occupancy for all other buildings having an initial~~  
9 ~~occupancy date of January 1, 2011 or later.)~~

10 Section 6. Section 22.920.120 of the Seattle Municipal Code, last amended by Ordinance  
11 123993, is amended as follows:

12 **22.920.120 ((Sanctions)) Penalties**

13 A. Fines for the failure of a building owner to prepare, submit or annually update energy  
14 benchmarking reports and energy performance ratings as required by Section ((22.920.040))  
15 22.920.030 shall be imposed as follows:

16 ((1. For Non-Residential buildings greater than 50,000 square feet having an  
17 initial occupancy date before January 1, 2011, upon the failure to submit the report and rating  
18 pertaining to benchmarking for the year 2011 by October 1, 2013, a fine of \$2,000 shall be  
19 imposed; upon the failure to submit such report and rating by January, 1, 2013, the fine shall be  
20 increased to \$3,000; and upon the failure by April 1, 2013, the fine shall be increased to \$4,000.

21 2. For multi-family buildings greater than 50,000 square feet having an initial  
22 occupancy date before January 1, 2011, upon the failure to submit the report and rating  
23 pertaining to benchmarking for the year 2011 by January 1, 2013, a fine of \$1,000 shall be

1 ~~imposed; upon the failure to submit such report and rating by April 1, 2013, the fine shall be~~  
2 ~~increased to \$2,000; upon the failure to submit such report and rating by July 1, 2013, the fine~~  
3 ~~shall be increased to \$3,000; and upon the failure by October 1, 2013, the fine shall be increased~~  
4 ~~to \$4,000.~~

5           3.) 1. For annual reports and ratings pertaining to benchmarking for ~~((the year~~  
6 ~~2012))~~ 2022 and each subsequent year ~~((thereafter))~~, for buildings greater than 50,000 square  
7 feet, for each annual energy benchmarking report (including a performance rating when  
8 available), ~~((the following fines shall be imposed))~~ a fine of \$4,000 shall be imposed 90 days  
9 after the due date for the failure to submit the report and performance rating ~~((by the following~~  
10 ~~dates:~~

11                           a. ~~90 days after April 1 due date – total fine of \$1,000~~

12                           b. ~~180 days after due date – total cumulative fine of \$2,000~~

13                           c. ~~270 days after due date – total cumulative fine of \$3,000–~~

14                           d. ~~360 days after due date – total cumulative fine of \$4,000 provided,)) ;~~

15 however, ~~((that))~~ no fine shall be imposed when failure to prepare or report an energy  
16 benchmarking report is due to a tenant's failure to provide information required under Section  
17 22.920.050;

18           ~~((4.))~~ 2. For annual reports and ratings pertaining to benchmarking for ~~((the year 2012))~~  
19 2022 and each subsequent year ~~((thereafter))~~, for buildings ~~((fewer))~~ equal to or less than 50,000  
20 square feet, for each annual energy benchmarking report (including a performance rating when  
21 available), ~~((the following fines shall be imposed))~~ a fine of \$2,000 shall be imposed 90 days  
22 after the due date for the failure to submit the report and performance rating ~~((by the following~~  
23 ~~dates:~~

- ~~a. 90 days after April 1 due date – total fine of \$500~~
- ~~b. 180 days after due date – total cumulative fine of \$1,000~~
- ~~c. 270 days after due date – total cumulative fine of \$1,500~~
- ~~d. 360 days after due date – total cumulative fine of \$2,000 provided)) ;~~

however, ~~((that))~~ no fine shall be imposed when failure to prepare or report an energy benchmarking report is due to a tenant's failure to provide information required under Section 22.920.050;

~~((5.))~~ 3. The Director ~~((shall have the authority by Director's rule to))~~ by rule may establish grace periods for imposing fines for any class of structure upon a finding that such grace period will facilitate the submission of energy benchmarking reports and energy performance ratings or otherwise further the purposes of this Chapter 22.920.

B. If the Director determines that a building owner has failed to disclose an energy benchmarking report or energy performance rating as required by Section 22.920.080, the Director may, in addition to any other remedy authorized by law or equity, ~~((seek the following remedies:))~~ impose a \$500 fine.

- ~~((1. A \$150 fine imposed for the first violation,~~
- ~~2. A \$500 fine imposed for the second or subsequent violation, and~~
- ~~3. If a building owner of any building subject to this chapter has been previously issued a notice of violation under this chapter within the past two years, all subsequent violations by that building owner for failing to disclose an energy benchmarking report shall be subject to a \$500 fine.))~~

1 C. If the Director determines that a tenant has failed to provide information to a building  
2 owner as required under Section 22.920.050, the Director may, in addition to any other remedy  
3 authorized by law or equity, ~~((seek the following remedies:))~~ impose a \$500 fine on the tenant.

4 ~~((1. A \$150 fine imposed for the first violation,~~  
5 ~~2. A \$500 fine imposed for the second or subsequent violation, and~~  
6 ~~3. If a tenant of any building subject to this chapter has been previously issued a~~  
7 ~~notice of violation under this chapter within the past two years, all subsequent violations by that~~  
8 ~~tenant for failing to provide information to a building owner as required under Section~~  
9 ~~22.920.050 shall be subject to a \$500 fine.))~~

10 D. If the Director determines that a building owner has submitted an inaccurate energy  
11 benchmarking report or energy performance rating as required by this ~~((chapter))~~ Chapter  
12 22.920, the Director may, in addition to any other remedy authorized by law or equity, seek the  
13 following remedies:

14 1. A ~~(((\$150))~~ \$4,000 fine shall be imposed for ~~((the first violation))~~ buildings  
15 greater than 50,000 square feet;

16 2. A ~~(((\$500))~~ \$2,000 fine shall be imposed for ~~((the second and any subsequent~~  
17 ~~violations))~~ for buildings equal to or less than 50,000 square feet.

18 E. The fines set forth in subsection 22.920.120.A shall be imposed by serving a notice of  
19 violation that sets forth the specific violation, ~~((the amounts of each increase in fines and the~~  
20 ~~specific dates upon which each increase in fines will accrue))~~ and shall state any penalties or  
21 fines imposed. A building owner shall have 30 days from the date of service of the notice of  
22 violation to seek an administrative review of the imposition of all such fines ~~((, including each~~  
23 ~~increase in fines,))~~ contained within the notice of violation. The initiation of such an

1 administrative review is governed by Section 22.920.130. The failure of a building owner to  
2 initiate such an appeal within 30 days of the date of service of the notice of violation shall be  
3 deemed a waiver of the right to such administrative review and any subsequent appeal or request  
4 for mitigation to the Hearing Examiner under Section 22.920.155 or Section 22.920.160 of all  
5 fines contained within the notice of violation (~~(including each increase in fines)~~).

6 F. The fines set forth in subsections 22.920.120.B, 22.920.120.C, and 22.920.120.D shall  
7 be imposed by serving a notice of violation stating each violation and each corresponding  
8 penalty. Administrative review and appeal of all violations and penalties contained within a  
9 notice of violation shall be governed in accordance with Sections 22.920.130, 22.920.155, and  
10 22.920.160.

11 G. Any other violation of this (~~chapter~~) Chapter 22.920 shall be subject to the issuance  
12 of a notice of violation and corresponding penalty provisions.

13 H. The Director by rule may raise penalty amounts to adjust for inflation or other relevant  
14 market conditions. Penalty amounts may not be adjusted for compliance dates before 2036.  
15 Revised penalty amounts for compliance in 2036 must be established by 2034, and may be  
16 revised every five years thereafter as warranted.

17 I. Revenue from penalties under this Chapter 22.920 shall be spent in accordance with  
18 Section 22.925.140.

19 Section 7. Section 22.920.130 of the Seattle Municipal Code, last amended by Ordinance  
20 123993, is amended as follows:

21 **22.920.130 ((Administrative)) Director's administrative review of notice of violation ((by  
22 **Director))****

1           A. A notice of violation shall be subject to administrative review if the aggrieved party  
2 requests in writing a review by the Director within 30 days after service of the notice of  
3 violation. When the last day of the review-request period is a Saturday, Sunday, or federal or  
4 City holiday, the period shall run until 5(~~00~~) p.m. on the next business day.

5           B. To be considered by the Director, the written request for review must be submitted  
6 with the (~~(Energy Benchmarking and Reporting Violation Review Appeal Form)~~) benchmarking  
7 violation appeal form, which (~~(will)~~) must document the reason for the review.

8           C. After receiving a request for review, the Director shall notify the requesting party, the  
9 building owners who received a notice of violation, and any person who requested notice of the  
10 review that a request for review has been received.

11           D. The Director will review the basis for issuing the notice of violation and the  
12 (~~(Violation Review Form)~~) benchmarking violation appeal form. The Director may request  
13 clarification of information received. After the review is completed, the Director may (~~(:~~

- 14                   1. ~~Sustain the notice of violation,~~  
15                   2. ~~Withdraw the notice of violation,~~  
16                   3. ~~Continue the review to a date certain for receipt of additional information, or~~  
17                   4. ~~Modify or amend the notice of violation.)) sustain, withdraw, modify, or amend~~

18 the notice of violation, or continue the review to a date certain for receipt of additional  
19 information.

20           E. The Director's administrative review decision is final. An aggrieved party may submit  
21 a (~~(but is subject to a)~~) request for a mitigation hearing or a contested hearing before the Hearing  
22 Examiner in accordance with Sections 22.920.155 and 22.920.160.



1 This Chapter 22.930 applies to all non-residential buildings that are (1) equal to or larger than  
2 50,000 square feet of floor area; and (2) are subject to (~~Energy Benchmarking~~) benchmarking  
3 requirements in Section 22.920.010. For buildings with both residential and non-residential space  
4 uses, this Chapter 22.930 applies to non-residential portions of a building where the non-  
5 residential space is equal to or larger than 50,000 square feet of floor area. This Chapter 22.930  
6 shall expire on December 31, 2028.

7 Section 10. Section 22.930.020 of the Seattle Municipal Code, enacted by Ordinance  
8 125002, is amended as follows:

9 **22.930.020 Definitions**

10 In this Chapter 22.930, the following definitions apply:

11 \* \* \*

12 "Energy benchmarking" means the assessment of a building's energy use, greenhouse gas  
13 emissions, and efficiency as required in Chapter 22.920.

14 \* \* \*

15 Section 11. Section 22.930.040 of the Seattle Municipal Code, enacted by Ordinance  
16 125002, is amended as follows:

17 **22.930.040 Exemptions and extensions**

18 A. Buildings meeting one or more of the following conditions may apply for an  
19 exemption from complying with a single interval of tune-ups as required by this Chapter 22.930.  
20 Building owners shall demonstrate they meet a condition for exemption by submitting evidence  
21 of the condition to the OSE Director no later than 180 days before the tune-up compliance date  
22 as specified in Section 22.930.050, unless the Director determines otherwise. The OSE Director  
23 shall notify applicants within (~~60~~) 45 days of receiving an exemption request on the



1 determination of whether the exemption is granted. Conditions meeting an exemption include but  
2 are not limited to:

3 1. Buildings with a high certified ENERGY STAR score preceding the tune-up  
4 compliance date identified in Section 22.930.050, as determined by the Director;

5 2. Buildings that have received a green building certification that is equivalent to  
6 standards accepted in the industry for an efficiently operating building within the three years  
7 preceding the tune-up compliance date identified in Section 22.930.050. (~~As of the date of the~~  
8 ~~ordinance introduced as Council Bill \_\_\_\_\_, a)~~ A green building certification could be  
9 equivalent to ((~~a Gold Rating under the USGBC's LEED for Operations and Maintenance v4,~~  
10 ~~or~~) a Net-Zero Energy Certification from the International Living Future Institute or similar, as  
11 determined by the OSE Director;

12 3. Buildings that can show evidence of active monitoring and continuous  
13 commissioning, as determined by the Director;

14 4. Buildings that have participated in and successfully completed an approved  
15 utility retro-commissioning incentive program in the three years preceding the tune-up  
16 compliance date identified in Section 22.930.050;

17 5. Buildings that have completed a full retro- or re-commissioning procedure  
18 within the three years preceding the tune-up compliance date identified in Section 22.930.050,  
19 with documentation that building performance was optimized;

20 6. Buildings that can demonstrate energy savings of at least 15 percent in the three  
21 years preceding the tune-up compliance date identified in Section 22.930.050;

22 7. Buildings that have undergone an energy audit no less stringent than the  
23 ASHRAE Level II standard and implemented all of the no-cost/low-cost energy efficiency

1 measures, defined as providing a simple payback of three years or less, identified in the audit in  
2 the three years preceding the tune-up compliance date identified in Section 22.930.050;

3 8. ~~((Buildings that have participated in the Seattle City Light Energy Assistance  
4 Analysis program or equivalent, as determined by the OSE Director, and implemented the  
5 program defined cost-effective measures within the three years preceding the tune-up  
6 compliance date identified in Section 22.930.050;)) Buildings that can demonstrate early adopter  
7 compliance with the Washington Clean Buildings Performance Standard as defined in chapter  
8 194-50 WAC, with documentation and verification as determined by the OSE Director by the  
9 mandated schedule for tune-ups and reporting compliance dates identified in Section  
10 22.930.050;~~

11 9. Buildings scheduled to be demolished within one year of the date the building  
12 tune-up is due pursuant to Section 22.930.050, per documentation determined by the OSE  
13 Director;

14 10. Buildings that demonstrate financial distress, such as being owned by a  
15 financial institution through default of the borrower, or other conditions as determined by the  
16 OSE Director ((-)) ;

17 11. Buildings receiving their initial certificate of occupancy less than three years  
18 before the tune-up compliance date identified in Section 22.930.050 ((-)) ; or

19 12. Buildings receiving approval for a second one-year extension, during the  
20 second tune-up compliance interval of 2023 – 2026 and after January 1, 2024, as determined by  
21 the OSE Director.

22 B. The OSE Director ~~((is authorized to))~~ may prescribe rules for requesting an exemption  
23 under this Chapter 22.930.

1 Section 12. Section 22.930.050 of the Seattle Municipal Code, enacted by Ordinance  
2 125002, is amended as follows:

3 **22.930.050 Schedule for tune-ups and reporting**

4 \* \* \*

5 C. A building owner may apply for a one-year compliance extension by showing good  
6 cause. ~~((Receiving an extension does not alter the future schedule for compliance. By requesting  
7 and receiving an extension, the building's next compliance schedule will be less than the typical  
8 five-year schedule.))~~ The OSE Director is authorized to prescribe rules for applying for an  
9 extension under this subsection 22.930.050.C. Conditions to receive an extension include but are  
10 not limited to:

11 1. Buildings with less than 100,000 square feet with less than 50 percent of the  
12 rentable floor area occupied, or buildings with greater than or equal to 100,000 square feet with  
13 less than 50,000 square feet of the rentable floor area occupied.

14 2. Buildings or building owners that can demonstrate a disproportionate burden of  
15 this Chapter 22.930, as determined by the OSE Director.

16 Section 13. Section 22.930.120 of the Seattle Municipal Code, last amended by  
17 Ordinance 125492, is amended as follows:

18 **22.930.120 Penalties**

19 A. Penalties for the failure of a building owner to comply with Section 22.930.030,  
20 22.930.050, or 22.930.070 shall be imposed as follows for each five-year tune-up requirement  
21 pursuant to the schedule in Section 22.930.050.

1                   1. For buildings greater than or equal to 200,000 square feet, the following  
2 penalties shall be imposed for the failure to tune-up a building and submit a report as required by  
3 Section 22.930.050:

4                   a. 180 days after October 1 due date — \$5,000;

5                   b. 360 days after due date — \$20,000.

6                   2. For buildings greater than or equal to 100,000 square feet and less than 200,000  
7 square feet, the following penalties shall be imposed for the failure to tune-up a building and  
8 submit a report by the following dates:

9                   a. 180 days after due date — \$2,500;

10                  b. 360 days after due date — \$10,000.

11                  3. For buildings greater than or equal to 50,000 square feet and less than 100,000  
12 square feet, the following penalties shall be imposed for failure to tune-up a building and submit  
13 a report by the following dates:

14                  a. 180 days after due date — \$2,000;

15                  b. 360 days after due date — \$8,000.

16                  4. The OSE Director (~~shall have the authority by OSE Director's rule to~~) by rule  
17 may establish grace periods for imposing penalties for any class of structure upon a finding that  
18 such grace period will facilitate completion of a tune-up of building energy and water systems  
19 and the submission of (~~energy benchmarking reports and energy performance ratings~~) a report  
20 to the City of findings, outcomes and actions taken based on the tune-up or otherwise further the  
21 purposes of this Chapter 22.930.

22                  B. (~~If a building owner of any building subject to this Chapter 22.930 has been~~  
23 ~~previously issued a notice of violation under this Chapter 22.930 within the past two years, all~~

1 ~~subsequent violations by that building owner for failing to disclose an energy benchmarking~~  
2 ~~report shall be subject to a \$500 fine in addition to any other penalty imposed under this Chapter~~  
3 ~~22.930.~~

4 ~~€.)~~ If the Director determines that a building owner or tune-up specialist has  
5 intentionally misrepresented the results of a tune-up in its report, the OSE Director may, in  
6 addition to any other remedy authorized by law or equity, may seek the following remedies:

7 1. A \$5,000 fine shall be imposed for ~~((the first violation))~~ buildings greater than  
8 or equal to 100,000 square feet; and

9 2. A \$10,000 fine shall be imposed for ~~((the second and any subsequent~~  
10 ~~violations))~~ buildings greater than or equal to 50,000 square feet and less than 100,000 square  
11 feet.

12 ~~((D. An account shall be established in the City's General Fund to receive revenue from~~  
13 ~~penalties under this Section 22.930.120. Revenue from penalties under this subsection~~  
14 ~~22.930.120.D shall be allocated that aim to improve the energy and water efficiency of Seattle~~  
15 ~~buildings. The OSE Director shall recommend to the Mayor and City Council how these funds~~  
16 ~~should be allocated.))~~ C. Revenue from penalties under this Chapter 22.930 shall be spent in  
17 accordance with Section 22.925.140.

18 ~~((E.))~~ D. The penalties in subsection 22.930.120.A shall be imposed by serving a notice  
19 of violation ~~((that states the specific violation, the amounts of each increase in penalties, and the~~  
20 ~~specific dates that each increase in penalties will accrue.))~~ in the manner set forth in RCW  
21 4.28.080 for service of a summons or sent by first class mail, addressed to the last known address  
22 of such person(s). Service shall be complete at the time of personal service or, if mailed, three  
23 days following the date of mailing. The notice of violation shall state the amount of penalties

1 imposed, each requirement that was violated, the amounts of each increase in penalties, and what  
2 corrective action is necessary to comply with the requirements. A building owner shall have 30  
3 days from the date of mailing or service of the notice of violation to seek an administrative  
4 review of the imposition of the penalties, including each increase in penalties, contained in the  
5 notice of violation. The initiation of an administrative review is governed by Section 22.930.140.  
6 The failure of a building owner to initiate an appeal within 30 days of the date of service of the  
7 notice of violation shall be a waiver of the right to an administrative review and a waiver of any  
8 subsequent appeal or request for mitigation to the Hearing Examiner under Section 22.930.140  
9 or Section 22.930.160 of all penalties contained within the notice of violation.

10 E. The penalties in subsection((s)) 22.930.120.B ((and 22.930.120.C)) shall be imposed  
11 by serving a notice of violation ((stating each violation and each corresponding penalty)) in the  
12 manner set forth in RCW 4.28.080 for service of a summons or sent by first class mail, addressed  
13 to the last known address of such person(s). Service shall be complete at the time of personal  
14 service or, if mailed, three days following the date of mailing. The notice of violation shall state  
15 the amount of penalties imposed, each requirement that was violated, and what corrective action  
16 is necessary to comply with the requirements. Administrative review and appeal of all violations  
17 and penalties contained within a notice of violation shall be governed in accordance with  
18 Sections 22.930.130, 22.930.140, 22.930.150, and 22.930.160.

19 F. Any other violation of this Chapter 22.930 shall be subject to the issuance of a notice  
20 of violation and corresponding penalty provisions.

21 Section 14. Section 22.930.140 of the Seattle Municipal Code, enacted by Ordinance  
22 125002, is amended as follows:

1 **22.930.140 ((Administrative)) OSE Director’s administrative review of notice of violation**  
2 **((by OSE Director))**

3 \* \* \*

4 B. To be considered by the OSE Director, the written request for review ((shall)) must be  
5 submitted with the ((Building Tune-Up and Reporting Violation Review Form)) building tune-up  
6 violation appeal form, which shall document the reason for the review.

7 \* \* \*

8 F. The Director by rule may establish grace periods for submitting a Notice of Violation  
9 appeal for administrative review.

10 Section 15. Section 22.930.180 of the Seattle Municipal Code, enacted by Ordinance  
11 125002, is amended as follows:

12 **22.930.180 Contested hearings**

13 A. Date and notice. If a building owner requests a contested hearing, the hearing shall be  
14 held within 60 days after the Hearing Examiner has received a written response to the ((notice of  
15 violation)) administrative review decision requesting such hearing ((is received)).

16 \* \* \*

17 E. Evidence at hearing

18 1. The certified statement or declaration authorized by RCW ((9A.72.085))  
19 5.50.050 submitted by the Director shall be prima facie evidence that a violation occurred and  
20 that the person cited is responsible. The certified statement or declaration of the Director  
21 authorized under RCW ((9A.72.085)) 5.50.050 and any other evidence accompanying the report  
22 shall be admissible without further evidentiary foundation.

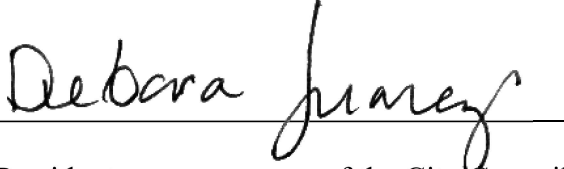
1                   2. Any certifications or declarations authorized under RCW (~~9A.72.085~~)  
2 5.50.050 shall also be admissible without further evidentiary foundation. The person cited may  
3 rebut the evidence and establish that the cited violations did not occur or that the person  
4 contesting the notice of violation is not responsible for the violation.

5                   Section 16. The provisions of this ordinance are declared to be separate and severable.  
6 The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this  
7 ordinance, or the invalidity of its application to any person or circumstance, does not affect the  
8 validity of the remainder of this ordinance or the validity of its application to other persons or  
9 circumstances.



1 Section 17. This ordinance shall take effect and be in force 30 days after its approval by  
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.


4 Passed by the City Council the 12th day of December, 2023,  
5 and signed by me in open session in authentication of its passage this 12th day of  
6 December, 2023.

7   
8 President \_\_\_\_\_ of the City Council

9  Approved /  returned unsigned /  vetoed this 13th day of December, 2023.

10   
11 Bruce A. Harrell, Mayor

12 Filed by me this 13th day of December, 2023.

13   
14 Scheereen Dedman, City Clerk

15 (Seal)