

Office of Sustainability & Environment



## Office of Sustainability & Environment (OSE)

Mission: Ensure a clean and healthy environment for every resident of Seattle. We prioritize those currently and historically harmed by racial, economic and environmental injustice and serve as cross-departmental and community collaborators, innovators, and drivers of cuttingedge city policy.



### **OSE's core services:**

Climate & Environmental Justice

GHG Emissions
Reductions

- Food Policy & Programs
- Seattle's Trees & Forests

- Environmental Justice Fund
- ClimateWorkforce
- Resilience Hubs
- Duwamish Valley Program
- Green New Deal
   Oversight Board

- Transportation
   Electrification
- Low Pollution
   Neighborhoods
- BEPS
- Clean Heat Program
- Municipal Energy
   Emissions Program

- Healthy School Food
- Sustainable Procurement
- Fresh Bucks
- Food Action Plan
- Sweetened
   Beverage Tax CAB

- Canopy Equity Plan
- Tree Canopy Cover Assessment
- \$12M USFS Grant
- Urban Forestry
   Commission
- Trees for Seattle





Seattle City Council – Sustainability & Environment Committee

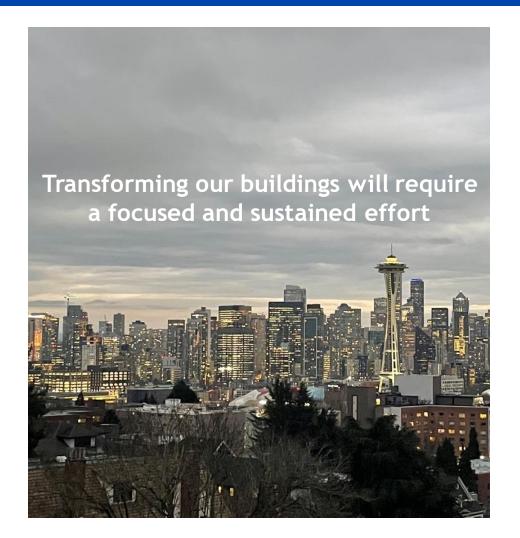
NICOLE BALLINGER, BUILDING EMISSIONS PERFORMANCE STANDARD PROGRAM MANAGER OFFICE OF SUSTAINABILITY & ENVIRONMENT



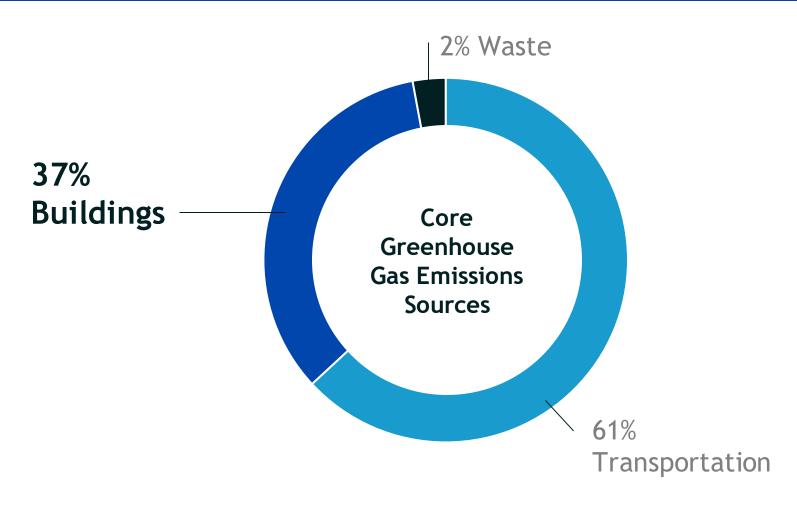


## **Both of these are true**



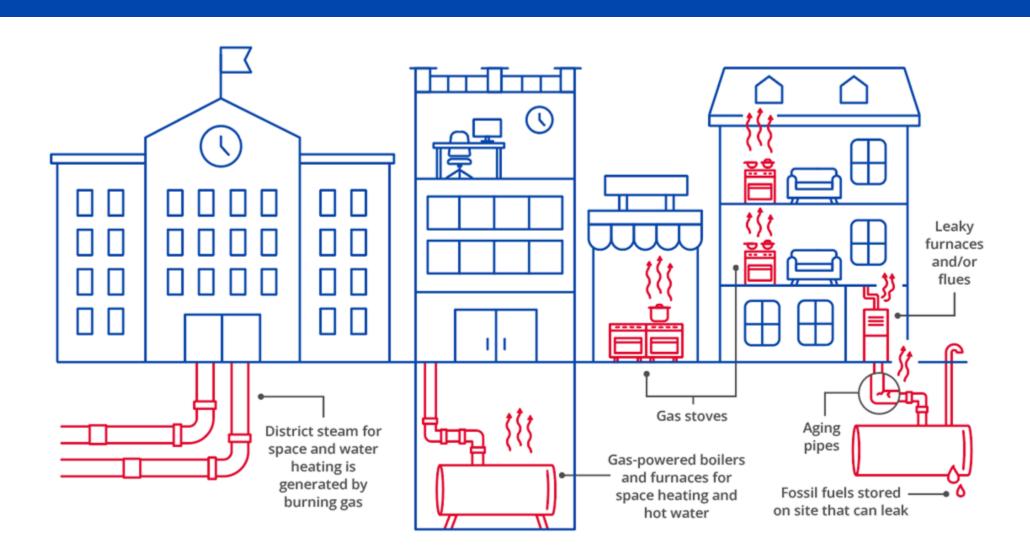


# Buildings are one of the largest sources of Seattle's climate pollution

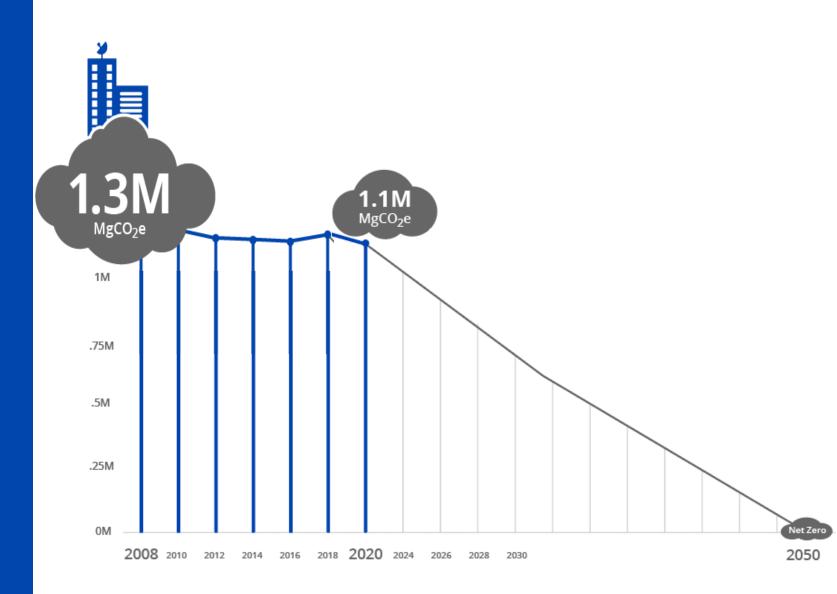


Source: 2020 Seattle Greenhouse Gas Emissions Inventory

# Building-related emissions mostly come from burning fossil fuels, like gas and oil



Bold action is needed to significantly reduce climate emissions from buildings



Seattle's policies have been helping building owners take important climate action





2011

Seattle Energy Benchmarking and Reporting



3

2019

Seattle Building Tune-Ups





2020

Fossil Fuel-Free Municipal Buildings





2021

2018 Seattle Energy Code





2026

2019 WA State Clean Buildings Standards

## What is a Building Performance Standard (BPS)?

A BPS requires existing buildings to meet carbon emissions or energy performance targets by specific deadlines.

Decarbonization - another word for reducing emissions.



"The Building Emissions
Performance Standards (BEPS)
policy continues Seattle's leadership
on climate action and represents a
milestone for our city's efforts to
reduce greenhouse gas emissions
and build healthy communities,"
said Mayor Bruce Harrell.

"This bold legislation will not only create cleaner buildings for people to live, work, and play in, but also hundreds of local jobs and build pathways to careers in the green economy..."

Mayor Bruce Harrell,
BEPS Press Release, December 13, 2023

# BEPS is one of the most effective climate actions we are taking.

#### **BEPS** is projected to:

- Reduce greenhouse gas emissions by about 325,000 metric tons by 2050 from existing large buildings.
- Or 27% decrease in building related emissions from a 2008 baseline.
- Or the equivalent 72,322 gasoline-powered cars taken off the road for a year.



## BEPS Policy addresses multiple priorities

Climate crisis and pollution

Environmental justice

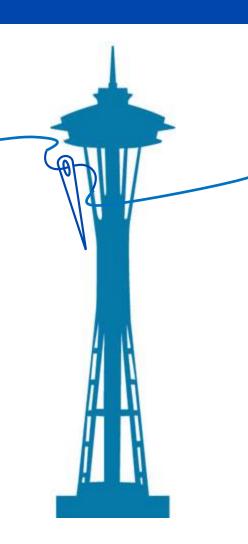
Downtown revitalization

Equipment life cycles and market signals

Workforce and a just transition

Affordable housing and human services

City-owned building portfolio

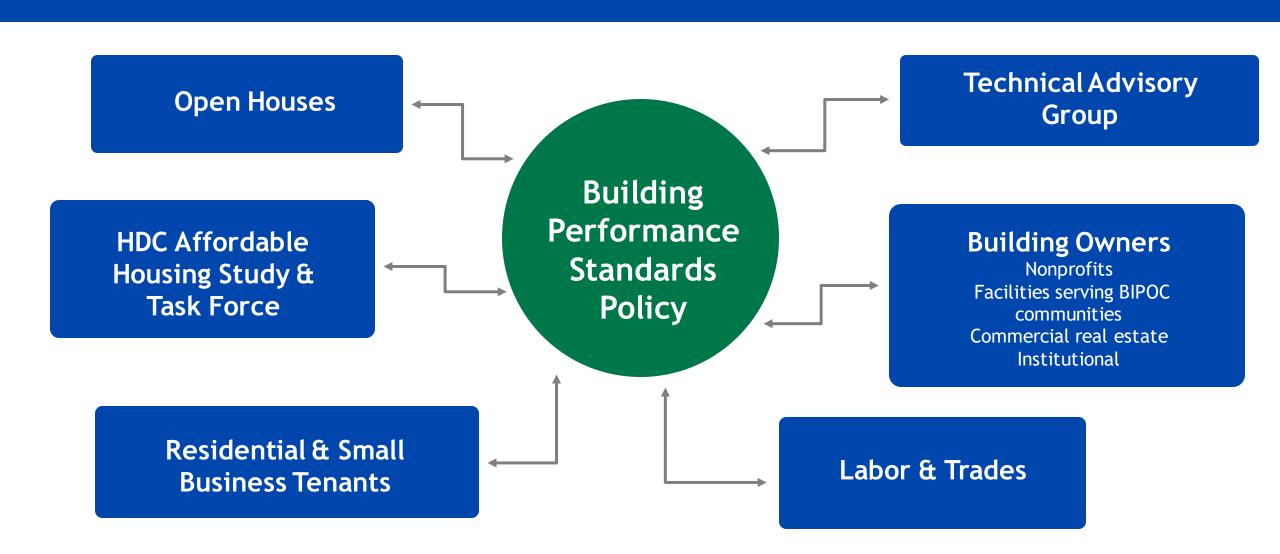


## Seattle BEPS will create jobs

- Well-paying clean energy jobs at all levels
- Reduced demand over time for gas-oriented jobs
- Local high-quality jobs that will directly benefit Seattle-area workers
- Sending the market signal now allows the labor workforce to grow, diversify and transition
- Expand career paths for women & BIPOC and opportunities for WMBE's
- The City is investing \$1 million/year in clean energy career pathway training
- University of Washington establishing one of 10 national handson job training centers for clean energy careers, with City as a partner



# Many voices shaped the policy & inform implementation

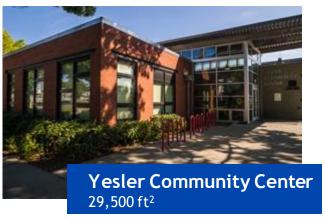




# Covers about 4,100 Nonresidential & Multifamily Existing Buildings >20,000 square













## What does BEPS Require of Building Owners?

#### Every 5 years:

- Ver
  - Verify previous year's building energy use and GHG emissions
- Report emissions performance and plan: Document current performance & equipment, and actions to achieve targets
- Meet Greenhouse Gas Intensity (GHGI) Targets: Three pathways
- V
- Achieve: Net-zero emissions (with narrow exceptions) by 2050

Building Tune-Ups will sunset after its 2023-2026 compliance cycle is done.

# Three compliance pathways for greatest flexibility

#### PATH A:

Meet standard or portfolio GHGI emissions targets at each fiveyear compliance interval

#### **Compliance includes:**

Measure Energy & Emissions
Energy/Emissions Reduction Planning
Meet Targets
Achieve Net Zero by 2041-2050

#### PATHS A & B:

Early Adopter Incentives and Technical Support

#### PATH B:

Small variances but overall can meet compliance with modifications.

#### **Extensions:**

Get a bye on one or more compliance intervals before returning to Path A

#### **End Use Deductions:**

Meet Path A with certain emissions deductions (e.g. restaurant cooking)

#### **Compliance Payment:**

Payment in lieu 2031-2035; revenue supports under-resourced buildings.

#### PATH C:

Special consideration and flexibility due to unique circumstances.

#### **Decarbonization Plan:**

Must include energy/GHG emissions audit and cost analysis.

- Net-Zero by 2050
- Low-Emissions by 2050

#### **Eligibility Criteria Include:**

- Conflicts with historic status
- Sub-alt or seismic upgrade
- Infeasible structural/electric upgrades req. to meet net-zero
  - And more...

# Leading with Equity

#### !! Coaching, Technical Support, Capital Investments!!

- Low-income/low-rent housing and social services have extension until 2036-2040 to meet targets
- Multifamily has longer timeframe to transition to net-zero, 2046-2050,
   vs. 2045-2045 for nonresidential
- o In each five-year compliance interval, **compliance is phased with largest buildings first and the smallest last**.
- Prescriptive options for multifamily to simplify compliance
- Low-income housing providers, public entities, and nonprofits may comply as an aggregated portfolio which allows providers to focus efforts according to their own asset needs
- Cooking end-use exemptions (2031-2040) that recognize:
  - The cost burden of transitioning equipment in small business and BIPOC owned restaurants that are already struggling
  - Cost, complexity, and tenant disruption to upgrade electric capacity for individual multifamily units
- Decarbonization Compliance Plan option for: infeasibility in low-income housing, structural/electrical constraints, financial distress, landmark, etc.

## What's the Timeline for Compliance?

2041 - 2045 2046 - 2050 2022 - 2026 2027 - 2030 2031 - 2035 2036 - 2040 Nonresidential Net-Zero Verify Energy & Policy **Emissions Targets Targets** Development / Emissions, Plan, and Start Support Multifamily Net-Zero Targets Program Reductions **Emissions Targets\*** \*Extension for affordable housing & human services until 2036-2040 to meet targets. Support & Early Director's Rule Adopter Mid-2024-2025 Incentives

State of WA Clean Buildings Performance Standard

**2026** - 1<sup>st</sup> Energy Targets
Commercial >50K

2031 >> Future Energy Targets - To be Determined by Rule Commercial & Multifamily > 20K



# BEPS Rulemaking Draft Schedule

Per SMC, a Director's Rule is the next step to clarify ordinance elements such as when owners may apply for exemptions and extensions and what documents will be required.

Stakeholder Engagement & Awareness (now & ongoing)

Technical Working Group (Q3-Q4 2024) Public Webinars (Q4 2024 – Q1 2025)

Draft Rule/Public Comment (Q2 2025)

Final Rule Q2 or Q3 2025

## **BEPS Program Design & Support**



**Analysis & Case Studies:** Municipal buildings, engineering studies with property owners, partnerships with affordable housing providers



**Funding:** City leverage investment, utility rebates and support, DOE Codes Grant (4/30), financing partnerships, IRA Direct Pay (tax rebates), other state and federal grants



**Program Development**: Partnership development, technology and tool development, customer support expansion, service provider & facility manager training, workforce development (first Compliance period 2027).



Coaching & Early Action (Clean Buildings Accelerator): Funding and support of non-profits, affordable housing, under-resourced buildings

# Seattle Clean Building Accelerator Participants

The Wing Luke Museum of the Asian Pacific American Experience



- To date, 40 organizations in light coaching
- More than half representing Frontline communities, nonprofits, class B/C buildings













