

## SUMMARY and FISCAL NOTE\*

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>Executive Contact/Phone:</b>
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*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

### **1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to building energy use benchmarking and reporting; directing the Office of Sustainability and Environment to make building energy benchmarking reports and, where available, an energy performance rating available to the public; amending Sections 22.920.060, 22.920.125, and 22.920.170 of the Seattle Municipal Code; and amending Ordinance 124927, which adopted the 2016 Budget, changing appropriations to various departments and budget control levels, and from various funds in the Budget; all by a 3/4 vote of the City Council.

**Summary and background of the Legislation:** This ordinance would update the Energy Benchmarking and Disclosure requirements to allow the City to annually publish building energy benchmarking reports and where available, an energy performance rating beginning in 2016. In addition, minor clean up revisions to the code language are included.

This legislation will encourage market competition and consumer choice by making annual building energy performance data transparent. Currently, more than a dozen jurisdictions around the United States make building energy performance data publicly available, leaving the Seattle real estate market at a competitive disadvantage. Transparency of building energy performance data will create a long-term market demand for energy efficient buildings, protecting tenant interests, and reward high-performers.

The City will publish reported building performance data visually via an interactive website to allow energy benchmarking information to be considered and understood in context and encourage energy efficiency action in underperforming buildings. To effectively drive market transformation, a system is needed to quickly convey key performance metrics in a way that's useful for building owners and managers, tenants, investors, and policy-makers. Options utilized by other cities for how to present the information include searchable and sortable data tables, maps with embedded building data, charts and graphs of aggregate data, individual building profiles with pictures, and (almost) live energy use tracking. Stakeholders have requested a user-friendly, visual way to compare data between buildings and sectors. To implement this legislation, the City will adapt existing web based applications used by other municipalities to minimize the initial financial investment and ongoing maintenance costs yet achieve the desired data transparency and energy reduction goals.

### **2. CAPITAL IMPROVEMENT PROGRAM**

\_\_\_\_\_ **This legislation creates, funds, or amends a CIP Project.**

### 3. SUMMARY OF FINANCIAL IMPLICATIONS

This legislation has direct financial implications.

<b>Budget program(s) affected:</b>				
<b>Estimated \$ Appropriation change:</b>	<b>General Fund \$</b>		<b>Other \$</b>	
	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>
	<b>\$95,000</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>
<b>Estimated \$ Revenue change:</b>	<b>Revenue to General Fund</b>		<b>Revenue to Other Funds</b>	
	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Positions affected:</b>	<b>No. of Positions</b>		<b>Total FTE Change</b>	
	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other departments affected:</b>				

### 3.a. Appropriations

This legislation adds, changes, or deletes appropriations.

<b>Fund Name and number</b>	<b>Dept</b>	<b>Budget Control Level Name/#*</b>	<b>2016 Appropriation Change</b>	<b>2017 Estimated Appropriation Change</b>
General Fund 00100	OSE	OSE	\$95,000	\$20,000
<b>TOTAL</b>			<b>\$95,000</b>	<b>\$20,000</b>

\*See budget book to obtain the appropriate Budget Control Level for your department.

#### Appropriations Notes:

Council and stakeholders have requested benchmarking data be publicly displayed in context with accessible data filtering and basic analysis features similar to the Philadelphia visualization tool<sup>1</sup>. Seattle's benchmarking program has also established an annual performance profile reporting process that delivers customized information back to office and multifamily building owners and managers. These scorecards provide a snap shot of how their building is doing over time, how it compares to their peers, what savings potential exists and how to connect to available resources to help them improve the efficiency of their facility. Seattle is proposing to expand to additional building types and integrate these profiles into a web based visualization tool similar to the Metered NYC<sup>2</sup> prototype. Based on industry research of existing tool adaptation cost estimates as well as the benchmarking program's past expenditures to create the benchmarking dashboard and scorecards, to accomplish this goal, the following changes to 2016

<sup>1</sup><http://visualization.phillybuildingbenchmarking.com/#/>

<sup>2</sup><http://metered.nyc/>

Appropriations include \$95,000 for expenses related to scoping, creating, and hosting an interactive website to visually display collected energy performance data.

Additional Appropriations will be requested in the 2017-2018 Budget to host, maintain and update an interactive data visualization application. Anticipated on-going program costs of would cover the following items:

- a) \$20,000 beginning in 2017 for the following annual costs:
  - a. Website hosting fees: \$5,000- \$8,000 (depends on tool and method selected)
  - b. Technical support to maintain, improve and publish annual data updates: \$15,000

Periodic tool enhancements may warrant future budget requests to add metrics, display features and analysis results. Visualization of building energy performance data is enabled by the existing benchmarking program's budget to analyze collected benchmarking reports. Program staffing requirements are not anticipated to increase, as OSE will redirect existing staff resources to scope and maintain a data visualization tool. At this time, OSE does not anticipate the need for DoIT staff support to create or maintain a data visualization tool as this work would be performed through a vendor contract.

### **3.b. Revenues/Reimbursements**

\_\_\_ This legislation adds, changes, or deletes revenues or reimbursements.

### **3.c. Positions**

\_\_\_ This legislation adds, changes, or deletes positions.

## **4. OTHER IMPLICATIONS**

- a) **Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?**

There are ongoing costs to host, maintain and enhance a data visualization tool, and these costs are noted above. Ongoing budget appropriations to perform ongoing maintenance and web visualization upgrades are anticipated to be \$10,000 per year.

- b) **Is there financial cost or other impacts of not implementing the legislation?**

This legislation helps implement the Climate Action Plan and contribute to meeting the City's carbon reduction goals. By not implementing this legislation, the City is anticipated to make less progress in achieving carbon and energy reduction goals. There are future financial costs to the City for not implementing the legislation.<sup>3</sup>

- c) **Does this legislation affect any departments besides the originating department?**

Yes, the Department of Information Technology (Seattle IT) may need to allocate staffing resources to support the maintenance of a data visualization tool.

<sup>3</sup> [https://www.whitehouse.gov/sites/default/files/docs/the\\_cost\\_of\\_delaying\\_action\\_to\\_stem\\_climate\\_change.pdf](https://www.whitehouse.gov/sites/default/files/docs/the_cost_of_delaying_action_to_stem_climate_change.pdf)

- d) Is a public hearing required for this legislation?**  
No.
- e) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
No.
- f) Does this legislation affect a piece of property?**  
No.
- g) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**  
No.
- h) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.**  
This legislation amends the existing energy benchmarking and disclosure requirement. No additional work will be required by building owners to comply. This legislation to make information from building energy benchmarking reports publicly accessible was identified in the 2013 Climate Action Plan as part of the City's strategy to achieving a goal of carbon neutrality by 2050.
- i) Other Issues:**  
None.

**List attachments/exhibits below:**