# **SEPA** ENVIRONMENTAL CHECKLIST

#### Purpose of checklist:

Governmental agencies use this checklist to help determine whether the environmental impacts of your proposal are significant. This information is also helpful to determine if available avoidance, minimization or compensatory mitigation measures will address the probable significant impacts or if an environmental impact statement will be prepared to further analyze the proposal.

#### Instructions for applicants:

This environmental checklist asks you to describe some basic information about your proposal. Please answer each question accurately and carefully, to the best of your knowledge. You may need to consult with an agency specialist or private consultant for some questions. You may use "not applicable" or "does not apply" only when you can explain why it does not apply and not when the answer is unknown. You may also attach or incorporate by reference additional studies reports. Complete and accurate answers to these questions often avoid delays with the SEPA process as well as later in the decision-making process.

The checklist questions apply to <u>all parts of your proposal</u>, even if you plan to do them over a period of time or on different parcels of land. Attach any additional information that will help describe your proposal or its environmental effects. The agency to which you submit this checklist may ask you to explain your answers or provide additional information reasonably related to determining if there may be significant adverse impact.

#### Instructions for Lead Agencies:

Please adjust the format of this template as needed. Additional information may be necessary to evaluate the existing environment, all interrelated aspects of the proposal and an analysis of adverse impacts. The checklist is considered the first but not necessarily the only source of information needed to make an adequate threshold determination. Once a threshold determination is made, the lead agency is responsible for the completeness and accuracy of the checklist and other supporting documents.

#### Use of checklist for non-project proposals:

For non-project proposals (such as ordinances, regulations, plans and programs), complete the applicable parts of sections A and B plus the <u>SUPPLEMENTAL SHEET FOR NONPROJECT ACTIONS (part D).SUPPLEMENTAL SHEET FOR NON-PROJECT</u> <u>ACTIONS (part D).</u> Please completely answer all questions that apply and note that the words "project," "applicant," and "property or site" should be read as "proposal," "proponent," and "affected geographic area," respectively. The lead agency may exclude (for non-projects) questions in Part B - Environmental Elements –that do not contribute meaningfully to the analysis of the proposal.

#### A. Background

1. Name of proposed project, if applicable: Proposed Ordinance – Building Emissions Performance Standards

2. Name of applicant: City of Seattle, Office of Sustainability and Environment

 Address and phone number of applicant and contact person: Sandra Mallory, Buildings and Energy Program Manager City of Seattle, Office of Sustainability and Environment 700 5<sup>th</sup> Ave, Suite 1800, Seattle WA 98124.
206-615-0731

4. Date checklist prepared: May 30, 2023

5. Agency requesting checklist: City of Seattle

6. Proposed timing or schedule (including phasing, if applicable):

The City Council anticipates possible action on the proposed ordinance in August – September 2023. If adopted, covered buildings would be required to meet benchmarking verification and reporting obligations starting in 2027 (Table A). The first compliance interval to meet greenhouse gas emission intensity targets ("GHGITs") in addition to benchmarking verification and reporting obligations would be in effect starting in 2031 (Table B). Certain provisions in the proposed ordinance would have later compliance dates depending on the size and type of the building.

Table A for 22.925.060: Covered buildings compliance schedule for benchmarking verification and reporting obligations			
Gross floor area in square feet (SF):	Shall meet benchmarking verification and reporting obligations by October 1 <sup>st</sup> of the following years:		
220,001 SF or greater	2027		
90,001 - 220,000 SF	2027		
50,001 - 90,000 SF	2028		
30,001 - 50,000 SF	2029		
20,001 - 30,000 SF	2030		

Building portfolios, district campus and connected buildings compliance schedule

Building portfolios, district campuses, and connected buildings approved for alternative compliance per Section 22.925.100 shall meet benchmarking verification and reporting obligations by October 1 <sup>st</sup> of the following year:
2028

Table B for 22.925.060: Covered buildings<sup>1</sup> compliance schedule for meeting GHGITs, benchmarking verification, and reporting obligations

Gross floor area in square feet (SF):	Shall meet GHGIT, benchmarking verification, and reporting obligations by October 1 <sup>st</sup> of the following years:				
220,001 SF or greater	2031	2036	2041	2046	
90,001 - 220,000 SF	2032	2037	2042	2047	
50,001 - 90,000 SF	2033	2038	2043	2048	
30,001 - 50,000 SF	2034	2039	2044	2049	
20,001 - 30,000 SF	2035	2040	2045	2050	
Building portfolios, district camp	us and connecte	d buildings com	pliance schedule		
	Building portfolios, district campuses, and connected buildings approved for alternative compliance per Section 22.925.100 shall meet GHGIT, benchmarking verification, and reporting obligations by October 1 <sup>st</sup> of the following years:				
	2033	2038	2043	2048	
		·			
1 – Per Section 22.925.110, low-income housing is exempt from meeting the GHGI targets from 2031-2035 but is still required to meet benchmarking verification and all other reporting obligations for 2031-2035.					

7. Do you have any plans for future additions, expansion, or further activity related to or connected with this proposal? If yes, explain.

There are no known plans to add or expand on the proposed ordinance. However, if the ordinance is adopted, then rulemaking would commence in 2024. If the ordinance is adopted, Seattle anticipates building permit applications for building retrofits and mechanical system replacements from buildings that are subject to the ordinance requirements.

8. List any environmental information you know about that has been prepared, or will be prepared, directly related to this proposal. References and documents can be found in Appendices A and B.

- 2020 City of Seattle Community Emissions Report<sup>1</sup>
- Seattle City Light Electrification Assessment<sup>2</sup>
- Seattle City Light 2022 Integrated Resource Plan (IRP)<sup>3</sup>
- Seattle City Light Letter (Appendix B)
- Office of Sustainability and Environment's analysis of emissions reductions resulting from policy implementation (Appendix B)
- Greenhouse Gas Intensity Targets Methodology (Appendix B)
- Compliance Pathway Options for 2031-2035 (Appendix B)
- This SEPA checklist, the proposed ordinance and draft Director's Report (Appendix B)

9. Do you know whether applications are pending for governmental approvals of other proposals directly affecting the property covered by your proposal? If yes, explain.

There are no known applications pending for government approvals directly related to this non-project proposal. It is possible there are pending applications for developments, including building and mechanical permits in the city that are within the affected area of this non-project proposal.

10. List any government approvals or permits that will be needed for your proposal, if known.

Approval from the Mayor's Office and City Council are the government approvals required for adoption of the proposed ordinance. Projects in existing buildings that that are subject to the requirements in the proposed ordinance, would be subject to applicable federal, state, and local permitting and licensing requirements.

11. Give brief, complete description of your proposal, including the proposed uses and the size of the project and site. There are several questions later in this checklist that ask you to describe certain aspects of your proposal. You do not need to repeat those answers on this page. (Lead agencies may modify this form to include additional specific information on project description.)

#### Background

In Seattle, buildings are responsible for more than a third of our City's GHG emissions. These emissions pollute our air, accelerate climate change, and harm people's health and the environment. Seattle's largest source of building-related carbon emissions — over 90% — is from burning fossil fuels, like gas and oil for heat, hot water, and cooking<sup>4</sup>. Seattle's climate goals are to reduce carbon emissions 40%

from commercial and residential buildings by 2030 (compared to a 2008 baseline) and to be net-zero GHG emissions by 2050.

The proposed Building Emissions Performance Standards ordinance is estimated to lead to improved emissions performance such that total building-sector emissions would decline by 27% citywide by 2050.<sup>5</sup>

The estimated number of applicable properties with existing buildings subject to the proposal is 3,585 (approximately 4,135 buildings including buildings on campuses), of which approximately 1,650 are nonresidential and 1,885 are multifamily, and 45 campus properties (representing approximately 600 buildings). The applicable buildings represent an estimated less than 3% of total buildings (nonresidential, multifamily and single family) in Seattle.<sup>6</sup>

#### **Non-Project Description**

This non-project proposal ("proposal") is a draft ordinance that applies to nonresidential and multifamily buildings located in Seattle with a gross floor area greater than 20,000 square feet (excluding parking) that exist prior to the required compliance intervals ("covered buildings"). The proposed ordinance would require the following:

- Covered buildings would be required to reduce their greenhouse gas emissions over time, eventually meeting a net-zero GHG emissions standard by 2041-2045 for nonresidential and 2046-2050 for multifamily housing.
- Covered buildings would be required to first verify their benchmarking data and meet reporting obligations beginning in 2027 starting with covered buildings over 220,000 sq feet (Table A). A greenhouse gas emissions standard report is required which outlines the building's greenhouse gas intensity targets ("GHGIT"), equipment and age of equipment in the building, and actions needed to meet the GHGIT for the applicable compliance interval. A greenhouse gas emissions intensity target (GHGIT) means the target that limits the greenhouse gas emissions intensity of a building.
- Covered buildings would then be required to meet the GHGIT by October 1 of their compliance interval and every five years thereafter. Compliance intervals begin in 2031 starting with covered buildings over 220,000 sq feet (Table B). GHGITs are established by building activity type and based on 2019 average greenhouse gas intensities ("GHGIs") by building type (e.g., office, retail, hotel, multifamily, etc.) for Seattle benchmarked buildings<sup>7</sup>. A building's greenhouse gas intensity is the sum of each energy fuel source consumed in one year multiplied by the emissions factor of that fuel, divided by the gross floor area of the building.
- Building owners may meet GHGITs by taking a variety of actions that may include implementing low-cost operations and maintenance measures, energy-efficiency measures such as lighting replacements, window replacements and wall insulation, switching from high emissionsintensive fuels to less emissions-intensive fuels, and replacing fossil fuel space and water heating equipment with electric equipment. The proposal exempts all-electric buildings (approximately 25% of nonresidential covered buildings and 45% multifamily covered buildings) from having to comply with a GHGIT and from preparing the greenhouse gas emissions standard report.
- The proposal includes provisions that: provide extensions for affordable housing and human service use buildings, and commercially leased buildings with an extremely high vacancy; exemptions for newly constructed buildings and buildings with pre-existing financial distress; an allowance for a building owner to deduct emissions from certain end uses such as district energy, cooking, emergency generators, and others, from a building's GHGIT.

- The proposal includes alternative compliance pathways including but not limited to: an option to make an Alternative Compliance Payment (ACP) for the 2031-2035 compliance interval; an option to aggregate emissions reductions for a portfolio of buildings; the option for covered buildings to pursue an alternate GHGIT due to unique circumstances, and an option to develop and implement a decarbonization compliance plan in lieu of meeting the GHGIT.
- It is expected that building owners would make incremental improvements in phases over the three compliance intervals (four for multifamily buildings). However, if there were minimal upgrades needed or if an owner decided to make more comprehensive upgrades at one time, once they achieve net-zero emissions no further upgrades would be required.
- The estimated number of properties subject to the proposed ordinance, by gross floor area is as follows:

Estimated Number of Buildings in Seattle Greater than 20,000 Square Feet (SF) by Size Cohort								
		Nonresidential		Multifamily		Campus*		
Size Cohort	Total	Number	%	Number	%	Number	Percent	%
220,001+ SF	375	215	6.0%	130	3.6%	25	0.7%	10.5%
90,001 - 220,000 SF	625	300	8.4%	320	8.9%	5	0.1%	17.4%
50,001 - 90,000 SF	695	335	9.3%	355	9.9%	5	0.1%	19.4%
30,001 - 50,000 SF	945	390	10.9%	550	15.3%	5	0.1%	26.4%
20,001 - 30,000 SF	945	410	11.4%	530	14.8%	5	0.1%	26.4%
Total	3,585	1650	46.0%	1,885	52.6%	45	1.3%	100.0%
*Campus reports include more than one building reporting and represent about 720 buildings								

\*Campus reports include more than one building reporting and represent about 720 buildings.

Source: 2019 Energy Benchmarking Open Dataset. Cohort based on field "PropertyGFATotal" rounded.

https://data.seattle.gov/dataset/2019-Building-Energy-Benchmarking/3th6-ticf

The pathway and particular actions to reduce emissions for each individual building will vary depending on starting GHG emissions, energy efficiency levels, and fuel types and configurations of heating, hot water and other equipment in the building. Similarly, an owner's chosen approach will vary depending on the particular interests of each owner and the asset improvement plans they may already have in place. Below is an overview of the actions that might be needed for an office building, to give a sense for how owners could reduce building emissions to meet GHGIT. These steps could be completed in incremental phases between the first and final compliance intervals. The sample decarbonization pathway below is provided for a typical office building built prior to 2012 that has both gas space and water heating. Some projects may need to combine steps 3 and 4 and implement them together due to the existing system infrastructure, and other projects may not decide to pursue step 3 due to the possible impact to tenants, but the steps provide a good sense for the range of overall actions owners might implement.

- Implement any low-cost tune-up measures. Actions would be those currently required under Seattle's existing Building Tune-Up Ordinance such as adjusting equipment operating schedules, so they are turned off when not needed, or making sure ventilation dampers are working properly.
- 2. Upgrade older fluorescent lighting to LED along with occupancy and daylighting controls.
- 3. Replace gas water heating systems with heat pumps.
- 4. Replace windows and/or add insulation to the walls and roof to reduce the heating and cooling loads.
- 5. Add a modern ventilation system that uses dedicated outside air systems with heat recovery.

- 6. Replace the gas heating system and the cooling system with heat pumps.
- 7. Use fuels that are less emissions-intensive such as renewable natural gas instead of natural gas or biofuel instead of traditional diesel.

12. Location of the proposal. Give sufficient information for a person to understand the precise location of your proposed project, including a street address, if any, and section, township, and range, if known. If a proposal would occur over a range of area, provide the range or boundaries of the site(s). Provide a legal description, site plan, vicinity map, and topographic map, if reasonably available. While you should submit any plans required by the agency, you are not required to duplicate maps or detailed plans submitted with any permit applications related to this checklist.

The proposal is a city-wide non-project proposal. The proposal applies to covered buildings that are located in the City of Seattle.

#### B. Environmental Elements

The proposal is a non-project action. The proposal will not directly result in any new projects or development. The proposal is expected to indirectly result in existing covered buildings undertaking energy-related retrofits and/or using less carbon-intensive fuel, to comply with the GHGITs established in the proposal. Any future energy-related retrofits would be subject to applicable local, state, and federal laws and regulations, permitting and licensing requirements.

In addition to the responses provided below in this Section B, responses are also provided in Section D because this is a non-project action. The responses provided in Section B and Section D should be reviewed collectively.

#### 1. Earth

a. General description of the site:

(circle one): Flat, rolling, hilly, steep slopes, mountainous, other \_\_\_\_\_\_

The proposal is a non-project action with no identifiable "site". The affected area contains a diversity of site conditions consistent with urbanized areas.

b. What is the steepest slope on the site (approximate percent slope)?

The affected area contains a diversity of slopes from flat areas to steep slopes.

c. What general types of soils are found on the site (for example, clay, sand, gravel, peat, muck)? If you know the classification of agricultural soils, specify them and note any agricultural land of long-term commercial significance and whether the proposal results in removing any of these soils.

The affected area includes a wide range of soils consistent with urbanized areas, ranging from colluvial drift to glacial till.

d. Are there surface indications or history of unstable soils in the immediate vicinity? If so, describe.

The proposal is a non-project action that will not directly result in any new project or development, so there is no specific site or location. The proposal's affected area, the boundary of the City of Seattle, includes peat-settlement prone areas and liquefaction-prone areas.

e. Describe the purpose, type, total area, and approximate quantities and total affected area of any filling, excavation, and grading proposed. Indicate source of fill.

The proposal is a non-project action. There is no fill, excavation, or grading proposed as part of the proposed non-project action.

f. Could erosion occur as a result of clearing, construction, or use? If so, generally describe.

No, the proposal is a non-project action. There is no project action so there is no land clearing or construction directly related to the proposal. Erosion is not expected to occur from the energy-related building retrofits anticipated for existing covered buildings expected as an indirect result of this proposal.

g. About what percent of the site will be covered with impervious surfaces after project construction (for example, asphalt or buildings)?

The proposal is a non-project action. No change of impervious surface is proposed. Energy-related building retrofits expected as an indirect result of the proposal is not expected to create new impervious surfaces.

h. Proposed measures to reduce or control erosion, or other impacts to the earth, if any: None proposed. This non-project proposal does not include any specific development proposal.

## 2. Air

a. What types of emissions to the air would result from the proposal during construction, operation, and maintenance when the project is completed? If any, generally describe and give approximate quantities if known.

The proposal is a non-project action that does not include any specific project action or development proposal. The proposal is intended to reduce GHG emissions from covered buildings and would thus be assumed to avoid adverse environmental impacts to air quality on a site-by-site basis.

b. Are there any off-site sources of emissions or odor that may affect your proposal? If so, generally describe.

No. This proposal is a non-project action that aims to regulate and reduce greenhouse gas emissions from applicable building.

c. Proposed measures to reduce or control emissions or other impacts to air, if any:

None proposed. The proposed ordinance aims to regulate and reduce greenhouse gas emissions from existing buildings. In complying with the proposed ordinance, the building owner may employ a variety of measures to reduce and control emissions including but not limited to energy-efficiency improvements, energy conservation, using renewable energy and switching from high emission-intensive fuels to less emission-intensive fuels. Any energy-related building retrofits that are expected as an indirect result of the proposal are required to comply with existing city ordinances to reduce or control emissions and other impacts to air.

#### 3. Water

- a. Surface Water:
  - 1) Is there any surface water body on or in the immediate vicinity of the site (including year-round and seasonal streams, saltwater, lakes, ponds, wetlands)? If yes, describe type and provide names. If appropriate, state what stream or river it flows into.

This proposal is a non-project action that does not include any specific project action or development proposal. Any future project actions indirectly related to this proposal will undergo appropriate review during future individual permitting processes.

The City of Seattle contains a variety of surface water bodies including but not limited to Puget Sound, Duwamish River, Lake Washington, Lake Union, Bitter Lake, and Haller Lake.

2) Will the project require any work over, in, or adjacent to (within 200 feet) the described waters? If yes, please describe and attach available plans.

No. The proposal is a non-project action. No work over, in, or adjacent to the described waters is proposed. Covered buildings per this proposal are likely to exist within the subject areas that are near shorelines.

3) Estimate the amount of fill and dredge material that would be placed in or removed from surface water or wetlands and indicate the area of the site that would be affected. Indicate the source of fill material.

This proposal is a non-project action. No fill or dredging in or from wetlands or surface water will result from the proposal.

4) Will the proposal require surface water withdrawals or diversions? Give general description, purpose, and approximate quantities if known.

This proposal is a non-project action. No surface water withdrawals or diversions will result from this proposal.

5) Does the proposal lie within a 100-year floodplain? If so, note location on the site plan.

This proposal is a non-project action. The affected area includes 100-year floodplains, within which some covered buildings may be present.

6) Does the proposal involve any discharges of waste materials to surface waters? If so, describe the type of waste and anticipated volume of discharge.

No. This proposal is a non-project action. No discharges of waste materials to surface waters will result from this proposal.

- b. Ground Water:
  - Will groundwater be withdrawn from a well for drinking water or other purposes? If so, give a general description of the well, proposed uses and approximate quantities withdrawn from the well. Will water be discharged to groundwater? Give general description, purpose, and approximate quantities if known.

No. This proposal is a non-project action. No withdrawal of groundwater will result from this proposal for drinking water or other purposes.

2) Describe waste material that will be discharged into the ground from septic tanks or other sources, if any (for example: Domestic sewage; industrial, containing the following chemicals...; agricultural; etc.). Describe the general size of the system, the number of such systems, the number of houses to be served (if applicable), or the number of animals or humans the system(s) are expected to serve.

None known. This proposal is a non-project action. No waste materials are proposed to be discharged.

- c. Water runoff (including stormwater):
  - Describe the source of runoff (including storm water) and method of collection and disposal, if any (include quantities, if known). Where will this water flow? Will this water flow into other waters? If so, describe.

This proposal is a non-project action. No runoff will result from this proposal.

- 2) Could waste materials enter ground or surface waters? If so, generally describe. This proposal is a non-project action. This proposal will not result in waste materials entering ground or surface waters.
  - 3) Does the proposal alter or otherwise affect drainage patterns in the vicinity of the site? If so, describe.

This proposal is a non-project action. This proposal will not affect drainage patterns.

d. Proposed measures to reduce or control surface, ground, and runoff water, and drainage pattern impacts, if any:

None proposed.

#### 4. Plants

a. Check the types of vegetation found on the site:

\_\_x\_\_deciduous tree: alder, maple, aspen, other

\_\_x\_\_evergreen tree: fir, cedar, pine, other

\_\_x\_\_shrubs

\_\_x\_\_grass

\_\_\_\_pasture

- \_\_\_\_crop or grain
- \_\_\_\_\_ Orchards, vineyards or other permanent crops.
- \_\_\_x\_ wet soil plants: cattail, buttercup, bullrush, skunk cabbage, other
- \_\_\_x\_water plants: water lily, eelgrass, milfoil, other
- \_\_\_x\_other types of vegetation

The proposal is a non-project action and does not include a specific project action or proposed development. The City of Seattle includes a wide variety of vegetation consistent with urbanized areas.

b. What kind and amount of vegetation will be removed or altered?

This proposal is a non-project action. This proposal will not result in the direct removal or alteration of vegetation. Minimal changes in vegetation might occur indirectly as a result of future energy-related building retrofits expected as a result of the proposal, such as locating new heat pumps adjacent to, or on the exterior of covered buildings.

c. List threatened and endangered species known to be on or near the site. This proposal is a non-project action. No threatened or endangered species are known to be o

This proposal is a non-project action. No threatened or endangered species are known to be on or near the site.

This non-project proposal does not include any specific development proposal. Individual project actions will undergo appropriate review during future individual permitting processes. See 4.a. above.

d. Proposed landscaping, use of native plants, or other measures to preserve or enhance vegetation on the site, if any:

None. This proposal is a non-project action.

e. List all noxious weeds and invasive species known to be on or near the site.

The City of Seattle contains a diversity of invasive plants consistent with urbanized areas. These plants include but are not limited to common urban invasives such as ivy, blackberry, and bindweed. This proposal is a non-project action. The City of Seattle includes a wide variety of noxious weeds.

#### 5. Animals

a. <u>List</u> any birds and <u>other</u> animals which have been observed on or near the site or are known to be on or near the site.

Examples include:

birds: hawk, heron, eagle, songbirds, other: mammals: deer, bear, elk, beaver, other: fish: bass, salmon, trout, herring, shellfish, other \_\_\_\_\_

This proposal is a non-project action. The affected area contains a diversity of animals consistent with urbanized areas including a diversity of birds, mammals, fish, and livestock. These animals include but are not limited to hawk, heron, eagle, songbirds, and salmon.

b. List any threatened and endangered species known to be on or near the site.

This proposal is a non-project action. A variety of threatened and endangered species including salmon and various birds are known to be on or near the affected area.

c. Is the site part of a migration route? If so, explain.

The City of Seattle is part of migratory routes. However, this proposal is a non-project action and does not include any specific development proposal.

d. Proposed measures to preserve or enhance wildlife, if any:

None. This non-project proposal is not expected to affect any wildlife.

e. List any invasive animal species known to be on or near the site.

There is a wide variety of invasive animal species in Seattle. However, this proposal is a non-project action and does not include any specific development proposal.

#### 6. Energy and Natural Resources

a. What kinds of energy (electric, natural gas, oil, wood stove, solar) will be used to meet the completed project's energy needs? Describe whether it will be used for heating, manufacturing, etc.

This proposal is a non-project action and does not include any specific development proposal. This proposal will not directly result in additional energy needs. The proposal would likely reduce overall energy use through energy efficiency measures while reducing GHG emissions through 2050. The proposal does not require a specific energy fuel type for any particular building site; the building owner would need to identify the best energy fuel mix and efficient equipment necessary to meet the applicable GHGIT required for each compliance interval. Some building owners may choose to purchase low-carbon renewable natural gas (RNG) through their gas utility provider and continue to use their gas-fired equipment. Others may choose to switch from fossil fuel equipment, such as for space heating and water heating, to efficient electric equipment since electricity supplied by Seattle City Light has a very low carbon content.

b. Would your project affect the potential use of solar energy by adjacent properties? If so, generally describe.

No. The proposal is a non-project action and will not directly affect the use of solar energy on adjacent properties. Covered buildings are expected to undergo energy-related retrofits to comply with the proposal but such retrofits are not expected to affect the use of solar energy by adjacent properties. For

example, it is possible that rooftop mechanical equipment is replaced but the replacement of existing equipment is not likely to affect the use of solar energy on adjacent properties.

c. What kinds of energy conservation features are included in the plans of this proposal? List other proposed measures to reduce or control energy impacts, if any:

No impact mitigation measures are proposed. This proposal is a non-project action and does not include any specific development proposal. The proposal is intended to require energy-efficiency measures and/or other actions to be implemented at existing buildings over time, which would reduce carbon emissions and positively improve energy conservation and efficiency.

#### 7. Environmental Health

a. Are there any environmental health hazards, including exposure to toxic chemicals, risk of fire and explosion, spill, or hazardous waste, that could occur as a result of this proposal? If so, describe.

1) Describe any known or possible contamination at the site from present or past uses.

This proposal is a non-project action and does not include any specific development proposal. The affected area contains a diversity of conditions consistent with urbanized areas.

2) Describe existing hazardous chemicals/conditions that might affect project development and design. This includes underground hazardous liquid and gas transmission pipelines located within the project area and in the vicinity.

This proposal is a non-project action and does not include any specific development proposal. The affected area contains a diversity of conditions consistent with urbanized areas. These include natural gas transmission pipelines.

3) Describe any toxic or hazardous chemicals that might be stored, used, or produced during the project's development or construction, or at any time during the operating life of the project.

None. This proposal is a non-project action and does not include any specific development proposal. The City of Seattle includes a wide variety of sites, some of which include toxic or hazardous chemicals. Such conditions are regulated by other City and State environmental laws and standards. Building retrofits are likely to include mechanical equipment replacements from gas systems to electric heat pumps. Heat pumps use refrigerants which contain hydrofluorocarbons (made up of hydrogen, fluorine and carbon). The type, use and handling of these refrigerants in equipment is regulated by Washington State law in Chapter 70A.60<sup>8</sup>.

4) Describe special emergency services that might be required.

This proposal is a non-project action and does not include any specific development proposal. This proposal will not result in the need for special emergency services.

5) Proposed measures to reduce or control environmental health hazards, if any:

None. This proposal is a non-project action and does not include any specific development proposal. This proposal is likely to result in a reduction of GHG emissions. GHG emissions from

the burning of fossil fuels is a main contributor to climate change which has negative impacts to the environment and human health<sup>9</sup>.

#### b. Noise

1) What types of noise exist in the area which may affect your project (for example: traffic, equipment, operation, other)?

This proposal is a non-project action and does not include any specific development proposal. The affected area contains a diversity of noise <u>sources and conditions</u> consistent with urbanized areas.

2) What types and levels of noise would be created by or associated with the project on a short-term or a long-term basis (for example: traffic, construction, operation, other)? Indicate what hours noise would come from the site.

This proposal is a non-project action and does not include any specific development proposal. The City of Seattle includes a wide variety of sites. Temporary construction noise associated with future required energyrelated building retrofits would indirectly result from the proposal and may vary greatly depending on the extent of the activity. Noise, including construction noise and daytime and night-time noise levels, is regulated by City codes at certain levels, which accommodate temporary higher-level noise from construction activities. Thus, potential impacts that might be possible at sites engaged in retrofit projects would be subject to enforcement and mitigation actions according to the city noise ordinance on a project-by-project basis.

3) Proposed measures to reduce or control noise impacts, if any:

Compliance with existing city ordinances for noise is required for construction.

#### 8. Land and Shoreline Use

a. What is the current use of the site and adjacent properties? Will the proposal affect current land uses on nearby or adjacent properties? If so, describe.

This proposal is a non-project action and does not include any specific development proposal. The affected area contains a diversity of land uses consistent with urbanized areas including but not limited to housing, office, institutional, and retail uses. The proposal does not affect the allowance or prohibition of particular land uses nor affect current land uses on nearby or adjacent properties.

b. Has the project site been used as working farmlands or working forest lands? If so, describe. How much agricultural or forest land of long-term commercial significance will be converted to other uses as a result of the proposal, if any? If resource lands have not been designated, how many acres in farmland or forest land tax status will be converted to nonfarm or non-forest use?

The City of Seattle includes a wide variety of sites, very few of which are working farms or forests. The proposal is not likely to affect working farmlands or forest land; and it would not impact compliance with agricultural or forestry issues. It would not be likely to result in conversion of agricultural or forest land of long-term commercial significance.

1) Will the proposal affect or be affected by surrounding working farm or forest land normal business operations, such as oversize equipment access, the application of pesticides, tilling, and harvesting? If

#### so, how:

No. This proposal is a non-project action and does not include any specific development proposal. The proposal will not directly alter farm or forest land.

c. Describe any structures on the site.

This proposal is a non-project action and does not include any specific development proposal. The City of Seattle includes a wide variety of sites consistent with urbanized areas. The affected areas affected by the proposal will have an applicable building greater than 20,000 square feet of gross floor area.

d. Will any structures be demolished? If so, what?

This proposal is a non-project action and does not include any specific development proposal. No structures are expected to be demolished due to the proposal.

e. What is the current zoning classification of the site?

This proposal is a non-project action and does not include any specific development proposal. The City of Seattle contains a wide variety of zoning classifications. These include single-family, multifamily, and commercial zones.

f. What is the current comprehensive plan designation of the site?

This proposal is a non-project action and does not include any specific development proposal. The affected area contains a diversity of comprehensive plan designations. These include urban center and village designations as well as areas outside of those designations.

g. If applicable, what is the current shoreline master program designation of the site?

This proposal is a non-project action and does not include any specific development proposal. The affected area contains a diversity of shoreline master program designations.

h. Has any part of the site been classified as a critical area by the city or county? If so, specify.

This proposal is a non-project action and does not include any specific development proposal. The affected area contains a diversity of critical area designations including but not limited to wetlands, riparian areas, and steep slopes.

i. Approximately how many people would reside or work in the completed project?

This proposal is a non-project action and does not include any specific development proposal. This proposal will not directly result in developments in which people would reside or work.

j. Approximately how many people would the completed project displace?

This proposal is a non-project action and does not include any specific development proposal. Because the proposal will not directly result in the demolition of any structure, no people would be directly

displaced by the proposal. Please refer to Section 9.c below for more information on potential displacement risk.

k. Proposed measures to avoid or reduce displacement impacts, if any:

Please refer to Section 9.c below.

- L. Proposed measures to ensure the proposal is compatible with existing and projected land uses and plans, if any:
- This proposal is a non-project action and does not include any specific development proposal. There are no known incompatibilities with existing or projected land uses and plans.
- m. Proposed measures to reduce or control impacts to agricultural and forest lands of long-term commercial significance, if any:

None. This proposal is a non-project action and does not include any specific development proposal. No impacts to agricultural and forest lands of long-term commercial significance are expected.

### 9. Housing

a. Approximately how many units would be provided, if any? Indicate whether high, middle, or low-income housing.

None. This proposal is a non-project action and does not include any specific development proposal and will have no impact on the number of residential units in new development, so no new housing units would be provided.

b. Approximately how many units, if any, would be eliminated? Indicate whether high, middle, or low-income housing.

This proposal is a non-project action and does not include any specific development proposal and the proposed Building Emissions Performance Standard is not likely to eliminate any existing housing units, only require existing building owners to undertake energy-related retrofits to existing buildings greater than 20,000 square feet of gross floor area.

c. Proposed measures to reduce or control housing impacts, if any:

This proposal is a non-project action and does not include any specific development proposal. The proposal would apply to an estimated 1,885<sup>10</sup> existing multifamily buildings over 20,000 square feet, starting in 2031 with an end goal of net-zero GHG emissions by 2050. Of these 1,885 buildings, approximately 55%, or about 1,000 buildings, use some fossil fuels (primarily gas) and would need to implement building improvement measures to reduce emissions. The remaining 45% use cleaner electricity for all of their space heating, hot water, and appliances. The proposal recognizes that these all-electric buildings are already achieving net-zero emissions and therefore would be fully exempt from meeting the GHGIT or having to report GHG emissions, although they would be required to conduct and report on benchmarking verification. The 1,000 buildings needing to make upgrades under this proposal represent under 4% of the more than 26,400 multifamily buildings in the city.<sup>11</sup> The proposal has no impact on the approximately 155,600 single family buildings in the city.<sup>12</sup>

The most common configuration for a multifamily building in Seattle is to have electric resistance heating in the units and a central gas hot water system. Other gas uses might include corridor and common area space heating, gas cooking, or gas dryers. In these buildings, owners would make incremental improvements each compliance interval until the building has achieved net-zero emissions and when no further improvements are required.

For buildings with multiple gas end uses, initial actions might include replacing any gas appliances, such as stoves and clothes dryers, with electric appliances. Next would be improving water heating efficiency with low-flow fixtures such as showerheads, faucets and clothes washing machines, and adding piping insulation. Next steps could include using low-carbon renewable natural gas (RNG) or replacing gas heating systems serving corridors or common areas, with electric heat pumps, in combination with heat recovery ventilation. Finally, using low-carbon renewable natural gas (RNG) or replacing the central gas water heating equipment would bring the building to net-zero emissions. Except for minimal entries into residential units for installing low-flow fixtures or replacing appliances, most of the work would occur in common spaces or central mechanical rooms and no tenant relocation would be necessary.

In multifamily buildings that do have gas water heating, it would most likely be a central system, which could include steam systems. Energy efficiency measures such as corridor and in-unit heat recovery ventilation, window replacements and/or wall insulation could be implemented to improve efficiency and reduce emissions. Alternative, low-carbon fuels such as renewable natural gas could replace some or all of the natural gas use, or the water heating system could be replaced by either upgrading the gas-fired boiler to a central heat pump or by replacing the central gas-fired boiler or steam system with in-unit heat pumps. The proposal includes a provision that provides multifamily buildings with a longer timeframe for compliance for achieving net-zero GHG emissions in 2046-2050 compared to 2041-2045 for nonresidential buildings. The proposal includes alternative compliance options for multifamily buildings. Owners may choose to comply by completing certain prescriptive actions in a compliance interval, such as replacing gas water heating with electric heat pumps, in lieu of meeting greenhouse gas intensity targets. This alleviates the need to perform energy modeling to project greenhouse gas intensity and provides assurance to building owners that the improvement will be deemed sufficient for compliance before any investments are made in building upgrades. Owners may also choose to pay into an alternative compliance fund, in lieu of meeting targets for the 2031-2035 compliance interval, allowing an owner a deferral in implementing certain building upgrades until timing is more appropriate. Another proposed accommodation that could be utilized by multifamily building owners is an option to submit a decarbonization compliance plan when compliance would impact historic integrity of landmarks or historic buildings, when buildings would need significant electrical infrastructure, such as new electrical transformer vaults, to comply, and for buildings with unreinforced masonry, among other situations.

The proposal includes a provision for condominium buildings that would require the GHGIT to be met only for the common areas of the building and exempts individually owned condo units from complying.

Of the approximately 1,000 multifamily buildings that would need to make building improvements to comply with the proposal, approximately 150 are considered subsidized affordable housing, that is they are under a regulatory agreement to keep rents affordable to low-income households. The proposal provides a delay for the initial GHGIT compliance for these buildings until the 2036-2040 compliance interval to allow low-income housing providers more time to plan and secure funding, as well as to allow greater time for the City to provide technical and financial support. Non-profit housing providers may also choose to comply with the GHGITs at a portfolio scale (multiple buildings under same ownership), which provides greater flexibility to make improvements in any individual building according to a provider's own asset improvement timing and needs. The proposal also allows for an additional delay

if the subsidized affordable multifamily building's pre-established refinancing date would not occur until after its 2036-2040 compliance deadline.

There are also approximately 110 multifamily buildings that could be considered unsubsidized affordable housing<sup>13</sup>, that is there are no regulatory restrictions on rents in these privately owned buildings but the rents are below average and considered affordable to lower-income households. Similar to delays for subsidized affordable housing, the proposal allows owners of these lower-rent buildings to delay compliance to allow for greater flexibility and to access technical support and incentives.

The proposal recognizes that multiple existing tenant protection laws are in place in the city, including financial and technical assistance programs to minimize displacement and relocation burdens on residential tenants, such as the Economic Displacement Relocation Assistance, and Tenant Relocation Assistance Ordinance. To further help mitigate financial impacts on landlords and potential increases in rents, the City has already implemented a technical and financial support program with more than \$4.5 million (included in 2024 endorsed budget) alone for grants to buildings serving low-income and frontline communities, and the proposal includes using anticipated revenue from Alternative Compliance Payments and penalties to support emissions reductions in under-resourced buildings. Additionally, the City has already acquired \$2.3 million in federal funds to support rent restricted buildings serving low-income tenants and intends to pursue multiple additional funding streams from state and federal programs to further support both subsidized and unsubsidized affordable housing. The Inflation Reduction Act will deploy more than \$166 million to Washington State in the coming years for direct rebates to residential households and landlords of multifamily buildings<sup>14</sup>.

The proposal is expected to result in additional costs to complete necessary energy-related retrofits that could indirectly lead to pass-through costs to tenants in the form of increased rents. Some of the energy-related retrofits may temporarily displace residents or other occupants during the time of the retrofit construction work. Thus, the proposal could indirectly and cumulatively lead to future instances of temporary displacements of multifamily residents for construction purposes, and to permanent displacements if increased rents occurred and economically displaced residential tenants.

However, the limited number of multifamily buildings, out of the total inventory of multifamily buildings in Seattle, the limited scope of the building upgrades anticipated overall and the limited number of cases requiring in-unit work, the gradual and incremental implementation of building improvements over an extended timeframe over almost 25 years between now and 2046-2050, the multiple mitigation measures incorporated in the proposal, outlined above, and the existing and future availability of technical and financial assistance to support building improvements to minimize rent increases and displacement risk all mean that the cumulative effect of the proposal on the city's multifamily housing stock is not expected to generate significant adverse impacts.

#### 10. Aesthetics

a. What is the tallest height of any proposed structure(s), not including antennas; what is the principal exterior building material(s) proposed?

This proposal is a non-project action and does not include any specific development proposal. This proposal will not directly result in new buildings.

b. What views in the immediate vicinity would be altered or obstructed?

This proposal is a non-project action and does not include any specific development proposal. The proposal does not alter or restrict views.

c. Proposed measures to reduce or control aesthetic impacts, if any:

None.

## 11. Light and Glare

a. What type of light or glare will the proposal produce? What time of day would it mainly occur?

This proposal is a non-project action and does not include any specific development proposal. The proposal will not directly result in additional light or glare.

b. Could light or glare from the finished project be a safety hazard or interfere with views?

No, this proposal is a non-project action and does not include any specific development proposal. This proposal will not directly result in additional light or glare.

c. What existing off-site sources of light or glare may affect your proposal?

This proposal is a non-project action and does not include any specific development proposal. The affected area contains a diversity of light and glare sources consistent with urbanized areas.

d. Proposed measures to reduce or control light and glare impacts, if any:

None. This proposal is a non-project action and does not include any specific development proposal.

#### 12. Recreation

a. What designated and informal recreational opportunities are in the immediate vicinity?

This proposal is a non-project action and does not include any specific development proposal. The affected area has a diversity of recreational opportunities in the immediate vicinity consistent with urbanized areas including formal parks and natural areas.

b. Would the proposed project displace any existing recreational uses? If so, describe.

No. This proposal is a non-project action and does not include any specific development proposal. The proposal will not displace any recreational uses.

c. Proposed measures to reduce or control impacts on recreation, including recreation opportunities to be provided by the project or applicant, if any:

None.

## 13. Historic and cultural preservation

a. Are there any buildings, structures, or sites, located on or near the site that are over 45 years old listed in or eligible for listing in national, state, or local preservation registers? If so, specifically describe.

This proposal is a non-project action and does not include any specific development proposal. The affected area contains a diversity of historic sites and buildings including locally and federally designated sites.

b. Are there any landmarks, features, or other evidence of Indian or historic use or occupation? This may include human burials or old cemeteries. Are there any material evidence, artifacts, or areas of cultural importance on or near the site? Please list any professional studies conducted at the site to identify such resources.

This proposal is a non-project action and does not include any specific development proposal. The affected area contains a diversity of locations with evidence of Native Americans or historic use or occupation. The area includes locations of historic settlement by Native Americans and European settlers.

c. Describe the methods used to assess the potential impacts to cultural and historic resources on or near the project site. Examples include consultation with tribes and the department of archeology and historic preservation, archaeological surveys, historic maps, GIS data, etc.

None. This proposal is a non-project action and does not include any specific development proposal.

d. Proposed measures to avoid, minimize, or compensate for loss, changes to, and disturbance to resources. Please include plans for the above and any permits that may be required.

The proposal will include an exception for any requirement that might harm the historic value of a building protected as a City Landmark. The proposal also includes a compliance pathway option for historic properties in meeting a customized net-zero or low-emissions plan. Compliance with existing City ordinances for historic preservation is required for development in Seattle. Any retrofits made to buildings are most likely to be completed to the interior of the building and any work proposed would require review and approval by the Historic Preservation Board on a case-by-case basis.

## 14. Transportation

a. Identify public streets and highways serving the site or affected geographic area and describe proposed access to the existing street system. Show on site plans, if any.

This proposal is a non-project action and does not include any specific development proposal. The affected area contains a diversity of streets, highways, and parking areas consistent with urbanized areas.

b. Is the site or affected geographic area currently served by public transit? If so, generally describe. If not, what is the approximate distance to the nearest transit stop?

This proposal is a non-project action and does not include any specific development proposal. Some of the affected area is served by public transit. Distances to transit stops vary substantially.

c. How many additional parking spaces would the completed project or non-project proposal have? How many would the project or proposal eliminate?

None. This proposal is a non-project action and does not include any specific development proposal. This proposal will not directly result in the creation or elimination of parking spaces.

d. Will the proposal require any new or improvements to existing roads, streets, pedestrian, bicycle, or state transportation facilities, not including driveways? If so, generally describe (indicate whether public or private).

No. This proposal is a non-project action and does not include any specific development proposal. The proposal will not result in direct improvements to transportation facilities.

- e. Will the project or proposal use (or occur in the immediate vicinity of) water, rail, or air transportation? If so, generally describe.
- No. This proposal is a non-project action and does not include any specific development proposal.
- f. How many vehicular trips per day would be generated by the completed project or proposal? If known, indicate when peak volumes would occur and what percentage of the volume would be trucks (such as commercial and non-passenger vehicles). What data or transportation models were used to make these estimates?

This proposal is a non-project action and does not include any specific development proposal. The proposal will not impact vehicular trips, except the proposal may indirectly generate minimal vehicular trips associated with expected building retrofits undertaken to comply with the proposal.

- g. Will the proposal interfere with, affect, or be affected by the movement of agricultural and forest products on roads or streets in the area? If so, generally describe.
- No. This proposal is a non-project action and does not include any specific development proposal. The proposal will not impact or be impacted by movement of agricultural or forest products.

h. Proposed measures to reduce or control transportation impacts, if any: Any adverse transportation impacts from potential vehicular trips generated are minimized by the staggered compliance deadlines provided in the proposal.

## 15. Public Services

a. Would the project result in an increased need for public services (for example: fire protection, police protection, public transit, health care, schools, other)? If so, generally describe.

No. This proposal is a non-project action and does not include any specific development proposal. This proposal will not directly result in increased need for public services.

b. Proposed measures to reduce or control direct impacts on public services, if any.

None.

#### 16. Utilities

 a. Circle utilities currently available at the site: electricity, natural gas, water, refuse service, telephone, sanitary sewer, septic system, other \_\_\_\_\_\_

This proposal is a non-project action and does not include any specific development proposal. The affected area contains a diversity of utilities consistent with urbanized areas. These include electricity, natural gas, water, refuse service, telephone, sanitary sewer, septic system, and other utilities.

b. Describe the utilities that are proposed for the project, the utility providing the service, and the general construction activities on the site or in the immediate vicinity which might be needed.

This proposal is a non-project action and does not include any specific development proposal. The proposal requires covered buildings meet GHGITs with a compliance deadline of every five years until 2050. Existing covered buildings are expected to undergo building retrofits which might include, for some of the retrofits, a conversion from fossil fuels to a cleaner fuel source, the purchase of renewable natural gas or biodiesel to be used in existing equipment, or other building modification anticipated to reduce the buildings GHG emissions. Refer also to Section D.6 below for a more detailed discussion of utilities.

#### C. Signature

The above answers are true and complete to the best of my knowledge. I understand that the lead agency is relying on them to make its decision.

Signature:	Sandra Mallory (May 30, 2023 16:07 PDT)	
Name of signee	Sandra Mallory	
Position and Age	ency/Organization _ Buildings and Energy Program Manager, Seattle Office	of
	Sustainability and Environment	
Date Submitted:	_May 30, 2023	

#### D. Supplemental sheet for non-project actions

These responses to Section D should be read in conjunction with the responses to Section B

1. How would the proposal be likely to increase discharge to water; emissions to air; production, storage, or release of toxic or hazardous substances; or production of noise?

This proposal is a non-project action that is focused on the reduction of GHG emissions over time in covered buildings. This proposal will not directly yield increases in discharge to water; emissions to air; production, storage, or release of toxic or hazardous substances; or production of noise. The proposal may indirectly result in minimal temporary increases in noise and vehicle trips generated by the anticipated building retrofits. Overall, the proposal would reduce GHG emissions by requiring covered

buildings to reach net-zero emissions by 2050. Building owners may reach their GHGIT through a variety of compliance options that building owners can use including switching from carbon-intensive fuels to less carbon-intensive fuels, and using more energy-efficient space heating, water heating, lighting, and appliances.

2. How would the proposal be likely to affect plants, animals, fish, or marine life? Reductions in the on-site and off-site combustion of fossil fuels are expected over the long-term, to help reduce the potential magnitude and severity of GHG emissions such as carbon dioxide, methane, and nitrogen dioxide, which would be a continuing benefit to all things living including plant, animal, and human well-being. The proposal is unlikely to create negative significant adverse impacts directly, indirectly, or cumulatively on plants, animals, fish, or marine life due to a lack of probable trigger for such impacts on water resources and fish or marine life. For example, regulating GHG emissions through building retrofits would not likely lead to substantive differences in total disturbance of physical sites or specific kinds of properties that might cause more disruption and they are not likely to directly or indirectly lead to pollutant discharge to streams or waters that might harm the quality of animal and fish habitats.

Proposed measures to protect or conserve plants, animals, fish, or marine life are: The proposal is expected to provide a benefit to aid in plant, animal, fish, and marine life conservation through a requirement for buildings to reduce GHG emissions over time which ultimately will reduce the consumption of fossil fuels that pollute air, water, and soil.<sup>15</sup>

#### 3. How would the proposal be likely to deplete energy or natural resources?

Instead of a depletion of energy or natural resources, this proposal is a non-project action that will yield reductions in the on-site and off-site combustion of fossil fuels due to anticipated reductions in the use of greenhouse gas emitting fossil fuels and potential increases in the demand for electricity which is generated primarily from renewable sources such as hydro, wind and other sources. Also see the response to Question 6 below for further discussion. Therefore, this checklist identifies no potential for significant adverse impacts related to energy or natural resource depletion.

Proposed measures to protect or conserve energy and natural resources are: GHG emissions reduction requirement would be met over time with a net-zero emissions requirement for covered buildings expected to be met by 2041-2050.

4. How would the proposal be likely to use or affect environmentally sensitive areas or areas designated (or eligible or under study) for governmental protection; such as parks, wilderness, wild and scenic rivers, threatened or endangered species habitat, historic or cultural sites, wetlands, floodplains, or prime farmlands?

GHG emissions contribute to global increases in temperature, extreme weather and affect air-quality, which affects parks, wilderness, wild and scenic rivers, wetlands, floodplains and farmlands, habitats for threatened and endangered species, and historic and cultural sites. According to the Washington State Department of Ecology, potential costs from climate change impacts are projected to reach \$16 billion per year by 2040.<sup>16</sup> The goal of the proposal is to reduce GHG emissions from covered buildings to net-zero by 2050 and to help mitigate the acceleration of climate change and associated effects at a local, regional, state or global level including government protected resources.

The proposal includes a provision for historic buildings to develop a customized compliance plan for achieving net-zero GHG emissions if the building upgrades necessary to meet the applicable GHGITs

would compromise the historic integrity of the historic building as determined by the appropriate code appointed official or entity, either the appropriate historic board or commission, or the City's Historic Preservation Officer. All other City policies and regulations regarding historic preservation are in place to protect and preserve the historic fabric of designated Landmark buildings and historic buildings within Seattle's historic districts.

Proposed measures to protect such resources or to avoid or reduce impacts are:

The proposal includes a provision for historic buildings to develop a customized compliance plan (see answer above) and other City policies and regulations are in place to protect and preserve the historic fabric of designated Landmark buildings.

5. How would the proposal be likely to affect land and shoreline use, including whether it would allow or encourage land or shoreline uses incompatible with existing plans?

This proposal would not directly, indirectly, or cumulatively impact land use or shoreline use within the City of Seattle. The proposal would influence the energy fuel type used, and the energy efficiency and design of energy-related systems used in the retrofits of existing covered buildings but would have no direct or indirect effect or impact on the height, FAR, use, or any other aspect of existing or future buildings. This proposal would not rezone any property nor amend any land use provisions that would alter the size, height, layout, location, or use of any new or existing building. The proposal does not include any provisions that would create incompatibilities between adjacent uses or lead to the demolition of any existing structures or uses. The proposal also would not encourage land uses or shoreline uses that would be incompatible with existing plans, but rather would support future development in a manner promoting sustainable environmental outcomes consistent with the City's comprehensive plan objectives (see Comprehensive Plan Goal EN G3 and Policy EN 3.4 for carbon neutrality goal and promotion of energy efficiency and low-carbon energy sources<sup>17</sup> as discussed in Question 7 below).

Proposed measures to avoid or reduce shoreline and land use impacts are: None are proposed.

- 6. How would the proposal be likely to increase demands on transportation or public services and utilities?
  - The proposal will not directly, indirectly, or cumulatively impact transportation or public services within the City of Seattle. The proposed policy would influence the energy fuel type used, energy efficiency and design of energy-related systems used in future remodeled buildings. The proposal will have no direct or indirect impacts on the use of any covered buildings or the number of occupants, so the proposal is not likely to increase demands on transportation systems or delivery of public services such as parks, schools, fire, and police protection. The proposal will have no direct or indirect impact on the layout, total size, location, or use of the impacted nonresidential or multifamily residential buildings. Therefore, the proposal is not likely to generate any measurable or significant adverse impacts related to transportation or public services.

#### Utilities

Implementation of the proposal is likely to result in building owners reducing their GHG emissions through a variety of actions including improving the energy efficiency of the building and equipment, switching from equipment that use fossil fuels to energy-efficient electric equipment, purchasing renewable natural gas through their gas utility, using biodiesel or other renewable energy if applicable, or a combination of these actions. The gradual transition of this group of existing buildings to lower emissions is consistent with state-level requirements in the Clean Energy Transformation Act<sup>18</sup> to transition electric utilities to providing carbon-neutral electricity by 2030 and 100% non-emitting electricity by 2045.

The City of Seattle's electric utility provider is Seattle City Light (SCL). The low emissions associated with SCL's electricity increases the likelihood that building owners would transition to electric equipment in order to meet their emission targets, which is likely to increase SCL's load and demand. SCL is obligated by state law<sup>19</sup> to provide reliable electricity to its customers and has extensive resource and system planning processes in place to meet increases in demand, including any increases in demand associated with this proposal.

SCL is planning for an electrified future and is actively engaged in research and analysis to gain insights on the potential impacts of customer electrification. SCL has developed a 20-year Integrated Resource Plan (IRP)<sup>20</sup> that outlines the utility's long-term strategy to supply reliable electricity to customers at a reasonable cost and risk, while protecting the environment and ensuring service equity. The IRP relies on only new renewables (e.g., solar and wind), energy efficiency, and demand response to meet future increases in electricity demand, so as to meet state regulations including the Clean Energy Transformation Act, Climate Commitment Act and Energy Independence Act. In early 2022, SCL published the results of an Electrification Assessment conducted with the industry-leading Electric Power Research Institute (EPRI). The Electrification Assessment found that, generally, electrification will increase SCL's load, but the impact to the distribution grid will vary based on time and location. It also found that SCL's distribution system has significant capacity available for much of the year, but that there are areas for which a transition to electric building operations could lead to the need for localized improvements in SCL's electrical distribution facilities. Thus, awareness of when and where loads are emerging and implementing strategies to impact how they align with grid capacity will be important to help SCL plan for electrification impacts. Implementation of the proposal will provide predictability that will help SCL identify and plan for emerging electrification loads.

The proposal is unlikely to increase demands on natural gas supplied by Puget Sound Energy (PSE), and it is expected that natural gas usage would decrease as a result of more energyefficiency upgrades and owners of existing buildings switching to less carbon-intensive energy sources over time. In Seattle, PSE reported approximately 129,495 residential customers and 11,932 commercial customers<sup>21</sup>. The 2686 covered buildings subject to the proposal that are using natural gas (excluding all-electric buildings), make up approximately 1.6% of PSE's total customer base in Seattle. State-wide, the covered buildings using natural gas make up .28% of PSE's approximately 800,000 gas customers.<sup>22</sup> Due to the small percentage of impacted PSE's customers from this proposal, there is no significant impact to the utility. A possible shrinking customer base for natural gas may lead to cost recovery actions through rate increases and/or other cost recovery actions, but the scale of this proposal is not expected to result in significant adverse impacts. Additionally, because building owners could comply by purchasing low-carbon renewable natural gas from PSE to displace up to 100% of their traditional natural gas use, there could be an increase in demand for this product. By state law (RCW 80.28.390), gas utilities must provide a voluntary renewable natural gas service to its customers. Any actions pursued by PSE as a result of this proposal would be subject to approval by the Utility and Transportation Commission (UTC), the regulatory authority for gas utilities in Washington state.

The proposed ordinance is also unlikely to increase demands on thermal district energy use, and it is reasonable to expect that some current users of thermal district energy may eventually switch to a less carbon-intensive energy source such as electric energy. However, CenTrio customers have contracts with the utility in excess of 5 years, with many customers in 10+ year contracts and may not be able to change energy sources without breach of contract and incurring a significant financial penalty. The proposal recognizes this impact and includes a provision that allows for a deduction of CenTrio energy-related emissions for the first compliance interval (2031-2035), which would provide CenTrio with more than a decade to reduce emissions of its energy source at the plant.

No probable adverse impacts are anticipated for city water, sewer, solid waste, or other utilities, for which no additional discussion is provided here.

Proposed measures to reduce or respond to such demand(s) are: None proposed.

7. Identify, if possible, whether the proposal may conflict with local, state, or federal laws or requirements for the protection of the environment.

No conflicts with environmental protection laws are anticipated. The City has considered the 9<sup>th</sup> Circuit Court of Appeals' recent ruling California Restaurant Assoc. v. City of Berkeley<sup>23</sup> whereby the court held that the Energy Policy and Conservation Act (EPCA) preempts the City of Berkeley Ordinance on the ban of natural gas piping. The Court ruled that EPCA expressly preempts state and local regulations that ban an appliance covered under EPCA. The City of Berkeley will be seeking en banc review, and the decision in CRA v. City of Berkeley is not final. Regardless, the City of Seattle proposal does not ban energy sources or any specific appliances, whether covered by EPCA or not. The proposal regulates greenhouse gas emissions and provides various pathways for a building owner to comply, which includes the purchase and use of renewable natural gas that may allow a building owner to continue to use gas-fired equipment.

The City's Comprehensive Plan includes multiple goals and policies directing the reduction of GHG emissions in Seattle.

Below is a summary of specific selected goals and policies in Seattle's comprehensive plan that supports this proposal:

- Environmental Goal 3: Reduce Seattle's greenhouse gas emissions by 58% from 2008 levels by 2030 and become carbon neutral by 2050.
- Environmental Policy 3.4: Encourage energy efficiency and the use of low-carbon energy sources, such as waste heat and renewables, in both existing and new buildings.
- Housing Goal 4: Achieve healthy, safe, and environmentally sustainable housing that is adaptable to changing demographic conditions.

- Housing Policy 4.2: Encourage innovation in residential design, construction, and technology, and implement regulations to conserve water, energy, and materials; reduce greenhouse gas emissions; and otherwise limit environmental and health impacts.
- Utility Goal 2: Conserve potable water, electricity, and material resources through the actions of the utilities and their customers.
- Utility Policy 2.3: Remain carbon neutral in the generation of electricity by relying first on energy efficiency, second on renewable resources, and third, when fossil fuel use is necessary, on offsetting the release of greenhouse gases.

Additionally, the proposal would operate in harmony with the State's Climate Commitment Act, chapter 70A.45 RCW, as well as the State's Clean Buildings Act, particularly RCW 19.27A.210.

## Appendix A

## List of References

<sup>1</sup> <u>Community Greenhouse Gas Emissions Inventory (seattle.gov)</u>

<sup>2</sup> Seattle City Light Electrification Assessment

<sup>3</sup> <u>2022IntegratedResourcePlan.pdf (seattle.gov)</u>

<sup>4</sup> <u>Understanding Our Emissions - Environment | seattle.gov</u>

<sup>5</sup> <u>Seattle Building Performance Standards Policy Development - Environment | seattle.gov</u>

<sup>6</sup> Based on 2019 Energy Benchmarking Open Dataset. Cohort based on field "PropertyGFATotal" rounded. https://data.seattle.gov/dataset/2019-Building-Energy-Benchmarking/3th6-ticf.

<sup>7</sup> Energy Benchmarking - Environment | seattle.gov

<sup>8</sup> Hydrofluorocarbons - Washington State Department of Ecology

<sup>9</sup> AR6 Climate Change 2022: Impacts, Adaptation and Vulnerability — IPCC

<sup>10</sup> 2019 Building Energy Benchmarking | City of Seattle Open Data portal

<sup>11</sup> Number of multifamily buildings over 20,000 SF is from 2019 energy benchmarking data. Total number of multifamily buildings is from 2017 data from the King County Department of Assessments, as reported in the *Zero Cities Project, Preliminary Assessment Report, Seattle, Washington,* Architecture 2030 et. al., 2018.

<sup>12</sup> Number of single-family buildings is from 2017 data from the King County Department of Assessments, as reported in the *Zero Cities Project, Preliminary Assessment Report, Seattle, Washington*, Architecture 2030 et. al., 2018.

<sup>13</sup> OSE used CoStar 1- and 2-star rated buildings and rent averages to estimate privately-owned, affordable properties. OSE matched 77% of buildings benchmarked as 'multifamily' to CoStar data (a commercial real estate analytics provider) to estimate the number of affordable – unsubsidized housing >20,000 SF.

<sup>14</sup> <u>Biden-Harris Administration Announces State and Tribe Allocations For Home Energy Rebate</u> <u>Program | Department of Energy</u>

<sup>15</sup> The Sources and Solutions: Fossil Fuels | US EPA

<sup>16</sup> <u>Preparing for a Changing Climate: Washington State's Integrated Climate Response Strategy</u>

<sup>17</sup> <u>ComprehensivePlanCouncilAdopted2021.pdf (seattle.gov)</u>

<sup>18</sup> <u>Clean Energy Transformation Act - Washington State Department of Commerce</u>

<sup>19</sup> <u>RCW 80.28.110</u> (Definition of "Electrical Company" includes "every city or town owning, operating or managing any electric plant for hire within this state." <u>RCW 80.04.010</u>)

<sup>20</sup> <u>2022IntegratedResourcePlan.pdf (seattle.gov)</u>

<sup>21</sup> See Reference 1

<sup>22</sup> PSE | Our Natural Gas Supply

<sup>23</sup> United States Court of Appeals for the Ninth Circuit CA Restaurant Assoc. v. City of Berkeley, May 12, 2023.

## Appendix B

Attachments:

- 1. The Proposed Draft Ordinance
- 2. Draft Office of Sustainability and Environment's Director's Report
- 3. Office of Sustainability and Environment's analysis of estimated GHG emissions reductions resulting from policy implementation (excel).
- 4. Greenhouse Gas Intensity Targets (GHGIT) Analysis
- 5. Compliance Pathway Options for 2031-2035
- 6. Seattle City Light Letter