Proposed Building Emissions Performance Standard

Overview

January 2023
The most effective near-term action is enacting a Building Emissions Performance Standard policy for larger, existing buildings.

27% emissions reduction by 2050.

- Sets carbon-emissions-reduction targets that buildings must meet over time.
- Provides a framework for owners to improve energy efficiency and transition to cleaner energy sources.
- Offers flexibility to choose technologies and operational strategies that work best for owners.
- Identifies long-term expectations so owners can plan for upgrades.
Stakeholders: What we’ve heard....

**Timing** - communicate emissions targets now to provide long lead time for owners to plan and the labor workforce to grow, diversify and transition.

**Flexibility** - create a streamlined but flexible policy to allow for a diversity of compliance needs by ownership and building types.

**Support** - increased financial incentives (equipment & electric service), lower interest financing and robust technical help are critical. This should be prioritized for under resourced building owners.
Timing: Set emission targets now, so owners have time to plan and implement projects.

4% emissions reduction: owner investments in energy efficiency

2023
Seattle Emissions Standards Legislation
Owners plan & start reducing emissions

2023 - 2026
Rulemaking & Program Development

2027 - 2030
WA Clean Buildings 1st Energy Targets Commercial >50K

2031 - 2035
Emissions Targets Nonresidential

2036 - 2040
Emissions Targets Nonresidential Multifamily

2041 - 2045
Net-Zero Targets Nonresidential

2046 - 2050
Net-Zero Targets Multifamily Low-Income Multifamily

WA Energy Targets TBD

Emissions Targets Nonresidential Multifamily

Emissions Targets Low-Income Multifamily

Net-Zero Targets Multifamily Low-Income Multifamily

100% Clean Buildings
Flexibility: Compliance options for a variety of owners, tenants and building types.

Nonresidential buildings 20,000 SF +

### Stakeholders said...

**Office & Commercial**
Delay or “offset” cutting emissions to do deeper upgrades in later years

**Public Schools & Colleges**
Challenge to manage reporting for large public portfolios and campus energy systems

**Hospital, Labs, Hotels & Restaurants**
Need backup heat in emergency. Cooking equipment very costly to update to electric

### Examples of BEPS compliance options...

**Alternative Compliance Payment (2027-2035)**
Revenue funds technical and financial assistance for under-resourced buildings

**Campus and Portfolio Reporting**
Report all building square footage in aggregate if public or nonprofit

**Exemptions (2027-2035)**
Backup fossil fuel heat in hospitals and labs; Commercial cooking

NOTE: See policy proposal or guide for complete list of compliance options.
Flexibility: Compliance options for a variety of housing types and rents.

**Multifamily buildings 20,000 SF +**

**Stakeholders said...**

- **Subsidized low-income housing (~110 buildings)**
  Need more time to plan and seek funding for upgrades and need assistance

- **Lower-rent housing (~60 buildings)**
  Need more time to plan and seek funding for upgrades and need assistance

- **Market rate and low-income/low-rent housing**
  Need a streamlined option instead of specific emissions target

**Examples of BEPS compliance options...**

- **First emissions targets in 2036**
  Provides more time to plan and City to grow programs

- **Equipment upgrade path**
  Convert hot water or space heat to electric

NOTE: See policy proposal or guide for complete list of compliance options.
Flexibility: building owners have options for getting to carbon neutral.

Emissions reduction targets with flexibility to choose cleaner energy sources that work for different buildings.
Support: OSE is launching programs, growing them, and securing funding.

Seattle Clean Buildings Accelerator
OSE launched a $220K/year support hub for building owners and managers, prioritizing under-resourced, non-profits and those serving BIPOC communities. Program helps with:
- Meeting WA State Clean Buildings energy mandate
- Emissions reduction planning
- Identifying incentives and financing

Growing Staff Resources
- Additional technical support from Office of Housing and Office of Sustainability coming 2023.

Capital Investments
- $520K AARA loan funds reallocated for affordable housing
- Awarded $1.8M Dept. of Energy grant for decarbonizing affordable housing
- Green New Deal 2022 Opportunity Fund: $2M for affordable housing electrification
- 2023 budget: $4.5M / year for non-profits and affordable housing
- Preparing to pursue federal infrastructure funds, inflation reduction act funds, and other opportunities
The Seattle building emissions performance standard will create jobs.

150 - 270 Clean Energy Jobs Annually

• Expand career paths for women and BIPOC
• Expand opportunities for women and minority businesses
• Reduced demand over time for gas-oriented jobs

✓ $1.8M awarded, June 2022, for workforce development, investing in clean energy jobs and construction training
✓ $1M / year for clean energy workforce
✓ Additional workforce support from Office of Sustainability and Office of Economic Development coming in 2023.
For More Information

City of Seattle Office of Sustainability & Environment

www.seattle.gov/building-performance-standards

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