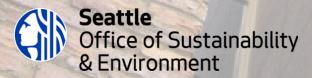
Proposed Building Emissions Performance Standard Overview

January 2023

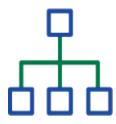


The most effective near-term action is enacting a Building **Emissions Performance** Standard policy for larger, existing buildings.

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.

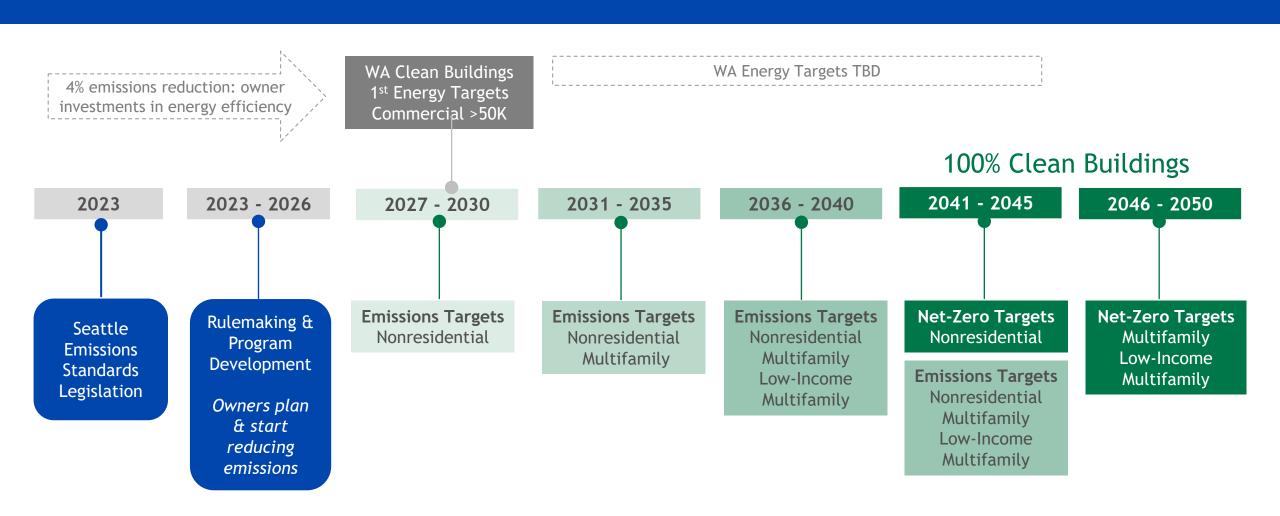


Flexibility - create a streamlined but flexible policy to allow for a diversity of compliance needs by ownership and building types.



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.



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

First emissions targets in 2036

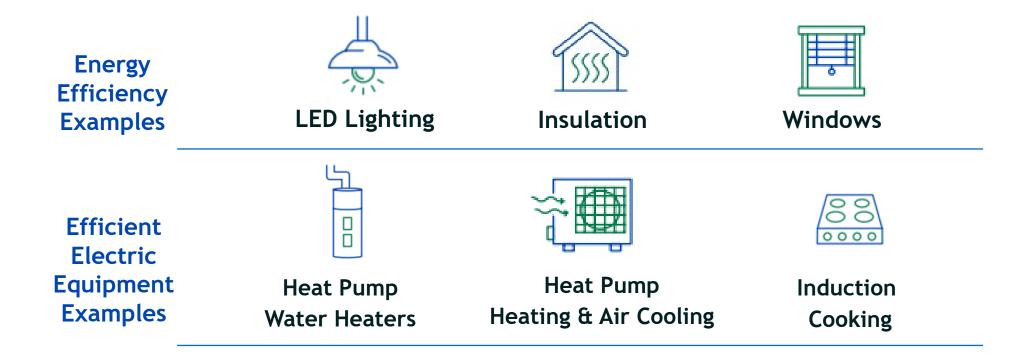
Provides more time to plan and City to grow programs

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.

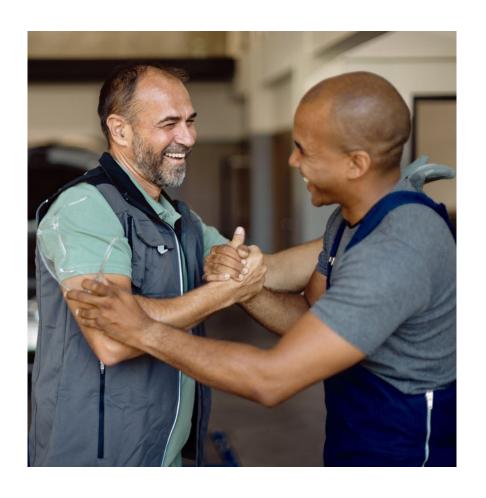
Capital Investments

- √ \$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.





City of Seattle Office of Sustainability & Environment

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