



Building Performance Standards Advisory Task Force Meeting Agenda

Wednesday, June 15, 2022
2:00pm-3:30pm

Zoom [LINK](#)

Meeting ID: 871 0143 5764

Passcode: 311698

TIME	ITEM
2:00 PM	<p>Welcome & Thank You.</p> <p>Land Acknowledgement*: <i>We would like to open this convening by recognizing that we are on the unceded ancestral land of the Coast Salish peoples, the traditional home of all tribes and bands within the Duwamish, Suquamish, Tulalip and Muckleshoot nations.</i></p> <p>Personal Introductions.</p>
2:10 PM	<p>Bambi Chávez of Housing Development Consortium:</p> <ul style="list-style-type: none"> • Review of the agenda and a quick overview of the BPS timeline.
2:15 PM	<p>Sandra Mallory of OSE:</p> <ul style="list-style-type: none"> • What we learned at our May 18th meeting with the mayor. • What happens with your recommendations once we receive them. • Where we see potential funding sources. • Highlights from our current policy draft. <p>DISCUSSION: Q&A</p>
2:30 PM	<p>Steve Gelb of Emerald Cities Collaborative:</p> <p>Have we captured all the concerns and benefits in our policy recommendations?</p> <p>DISCUSSION:</p> <p>Key Strategic Questions</p> <ul style="list-style-type: none"> • Do we support a prescriptive pathway or an emissions pathway? • Have we sufficiently addressed the possible interactions between state efficiency and city emissions targets? Clarify single compliance path. • What is the alignment between the start of compliance timing, the implementation of measures, and the availability of funding and services? <p>Other Questions</p> <ul style="list-style-type: none"> • Should we request defined scopes and fees be negotiated by the City in any roster of service providers? • Should we request that affordable housing cannot be disqualified from State Commerce Early Adopter Incentive funding if it is in an alternative compliance path (prescriptive) with the city? • Should we request that the City assist with a quicker procurement process and prioritize assessment reviews in Federal funding applications? • What about a maximum efficiency electrical adaptations goal? • Is it a valid assumption that having retrofit changes occur "as equipment fails and gets replaced" will be sufficient?
3:30 PM	<p>Meeting concludes.</p>

*The Duwamish Tribe has yet to be justly compensated for their land, resources, and livelihood. You can do something today to stand in solidarity with First Peoples of this land by paying Real Rent at realrentduwamish.org. All funds go directly to Duwamish Tribal Services.

BUILDING PERFORMANCE STANDARDS ADVISORY TASK FORCE

JUNE 15, 2022 MEETING NOTES

PARTICIPANTS	Alistair Jackson, Ariella Maron, Bambi Chavez, Bobby Coleman, Dan Boyle, Ellen Zouras, James Hill, Jennifer LeBrecque, Madeline Kostic, Ryan Meno, Sandra Mallory, Seth McKinney, Steve Gelb.
<p>SANDRA MALLORY</p> <p>OFFICE OF SUSTAINABILITY & ENVIRONMENT</p> <p>UPDATE WITH Q&A</p>	<ul style="list-style-type: none"> • OSE has support for BPS from the Mayor and will continue to receive stakeholder input and develop legislative language • We will incorporate what we have heard from this Task Force into our draft proposal and then share our draft with you in July. We will then refine our draft from your new input, send it to legal, and then on to the Mayor - who will submit it to the Council. Public input opportunity once Council is considering the proposal. • HDC should feel free to submit their recommendations directly to the Mayor or Councilmembers as well, as OSE is incorporating the input but not delineating it. • In terms of budget process, we convey our budget interests to the Mayor and he conveys budget interests to Council in late September. That will be another public input opportunity when Council is making budget considerations. • We are launching a Clean Buildings Accelerator Program with Stillwater Consulting this summer – \$200,000, prioritized for under-resourced building owners, non-profits, etc. to help comply with State BPS standards and the City’s emissions reduction standards. • We are reallocating some previous ARA funds to engineering services and efficiency and decarbonization upgrades for 2-3 affordable housing projects. • We have a pending application into the Department of Energy (DOE) to fund efficiency and decarbonization upgrades for 3-5 affordable housing projects. • We are closely tracking the Federal infrastructure opportunities available this Fall that might go through the DOE or the State. • Green New Deal Oversight Board recommended that JumpStart funds be used to add a staff position for the Clean Buildings Accelerator program to make it more robust, and that starting in 2023 4.5M per year be used for building upgrades. This recommendation is being made to the Mayor and then it will go to Council during the budget process. • OSE does not want to duplicate the State’s efforts to regulate energy performance so OSE will focus on greenhouse gas (GHG) emissions targets per square foot that will have consider occupancy through normalization factors for multifamily (by occupant or by bedroom). • Proposing affordable housing begin BPS compliance in 2036, whereas market-rate multifamily will begin compliance in 2031. • Proposing low-income housing providers could comply based on the portfolio as a whole rather than by building size, to provide more flexibility in determining which building to focus on based on the provider’s particular asset management needs. <p>Q&A</p> <p>Will City state add a fiscal note in their policy recommendations that to ensure needed amount of dollars accompanies the policy? Yes.</p> <p>Equipment that an owner may need to change to comply typically has a 15 year or longer life, so can you speak to the reality that equipment replaced today may still be functional in 2036? From 2026-2031 owners will be required to do benchmarking and document what equipment is in their buildings. This recommendation is intended to ensure that owners are aware of their circumstances and aren’t caught off guard when the formal compliance period begins. Owners need to begin thinking about what will be expected of them in Codes and BPS now and use this lens every time they make equipment change decisions. We at the City need to have assistance in place ASAP to support these early adoption opportunities and we are working on that. Recommending a 2036 compliance start for affordable housing</p>

	<p>gives us more time to secure resources and it gives owners greater flexibility as they work within their capital planning and funding constraints. We hope instances where equipment must be replaced before its natural end of life are rare, but we acknowledge that there may be situations where compliance may have such results. We realize that early adoption will only be successful if there is awareness, and we are considering how to get these messages out there to owners. <i>Suggestion made to consider an awareness building campaign around early compliance that targets point of sale at home goods retailers and distributors that maintenance and trades people visit regularly.</i></p> <p>What's the applicability of utility incentives once the BPS comes into effect? Will BPS be considered a Code requirement that negates utility incentives? We will work with SCL to incentivize early compliance, but the actual year of compliance becomes tricky for support. SCL can't assist with code compliance work because it is mandated, and therefore no longer cost effective.</p> <p>How does the fact that SCL cannot incentivize fuel switching affect BPS compliance? SCL can only assist with energy consumption reduction (efficiency) and without having the final written BPS legislation SCL cannot determine where future efficiency assistance might fit in. <i>Suggestion that WA State Department of Commerce reassess barriers around funding fuel switching and encouraging like-for-like replacements.</i></p> <p>Can SCL incentivize upgrading infrastructure? A lot of electrifying is upgrading panels and extending circuits, etc. SCL is a non-profit and cost goes back to consumers, so we don't want to raise electric rates for all customers to fund electrification for a few. Also, higher rates will make electrification less competitive than other fuels which would be a step in the wrong direction. <i>Suggestion that there is an equity scenario to be considered here as there is a utility cost burden for those in less efficient affordable housing.</i></p> <p><i>Suggestion made to consider Seattle Public Utilities taxes as a source of funding for affordable housing compliance upgrades.</i></p> <p>What about the possible circumstance where a building might meet City emissions requirements (totally electrified) but still fail State efficiency requirements? City will be involved in State rulemaking, and we will advocate for alignment to minimize such scenarios. Voluntary efficiency upgrades will be encouraged once we better understand State requirements.</p> <p>Does the City see the possibility of setting defined scopes of work for services that will be needed by owners (planning, technical work, etc.) and negotiating fees for those services in a roster of City approved service providers? The City is limited in their ability to recommend private contractors. We can speak to certification requirements in experience and education needed by providers for particular tasks, but we would not organize a definitive roster of specific providers. The City cannot regulate or negotiate fees. Market forces determine fees and different providers provide different levels of quality for their fees.</p> <p>Some affordable housing buildings may present a situation where compliance is insurmountable because the cost is so prohibitive. In such cases should the City provide an exemption? We tend to see these situations as opportunities for extension rather than exemption. Exemptions might lead to a second class tier of buildings where residents face hardships. The building may also find itself in a future energy marketplace where its fuel source becomes so expensive that the cost of operating becomes astronomical. The City would want to meet the building where it is and find a path forward. Also, having the ability to consider compliance based on a portfolio as a whole creates flexibility for such situations.</p>
<p>STEVE GELB</p> <p>EMERAL CITIES COLLABORATIVE</p> <p><i>OTHER CONSIDERATION IN FINALIZING OUR RECOMMENDATIONS</i></p>	<ul style="list-style-type: none"> • Generally, a limited number of pieces of equipment influence compliance so prescriptive compliance makes sense and has a simplicity to it that requires less energy calculations. However, there is a concern that multiple equipment changes might trigger "substantial alterations" call outs which will require owners to do additional work to come into code compliance. Replacing 2-3 major systems triggers substantial alterations work. We would like the City to advocate for code amendments around substantial alterations for affordable housing, keeping in mind that health and safety must be also be preserved. https://www.seattle.gov/DPD/Publications/CAM/cam314.pdf • The market is working toward less cost for equipment and upgrade work, but it is pricier now, so we need more resources for early adopters. Could monetizing early adoptions help get the market to move sooner? <i>Suggestion that O'Brien 360 should consider doing this.</i>

	<ul style="list-style-type: none"> • Creation of a climate investment fund where fines and “in lieu of” payments go into affordable housing upgrades assistance. • Single family homes are egregious in their emissions and hard to target, but there have been more single owners of multiple single-family homes – maybe they should be targeted. Definitely something to consider as the City and State consider single-family homes as, in aggregate, single-family homes produce almost half of all building emissions. • At our 6.6.2022 Learn@Lunch a participant noted that Federal funding often comes with specific requirements around procurement and assessment reviews. As the City pursues Federal funding we would like them to advocate for affordable housing to have streamlined Federal procurement and assessment processes to maximize funding and minimize disruption.
MISC.	<ul style="list-style-type: none"> • Link to the video recording of this meeting HERE. • Link to the HDC BPS website page HERE. • Link to the LAST BPS Advisory Task Force Meeting on Thursday, June 30, 2022, from 3:00pm-4:30pm PST HERE.