

CITY OF SEATTLE MAYOR'S GREEN BUILDING TASK FORCE

Existing Buildings Committee Meeting

Tuesday, October 21, 2008, 2:00 pm – 5:30 pm

Seattle Downtown Central Library, 1000 4th Avenue

Washington Mutual Foundation Room (Level 4, Room 1)

MEETING SUMMARY

Prepared by Triangle Associates, Inc.

Attendance

Green Building Task Force				
Last	First	Organization	Committee	In Attendance?
Anderson	Jolene	Coldwell Banker Bain, Assoc., JMR Consulting, Member, Seattle King-County Association of Realtors	Existing	✓
Awad	Ash	McKinstry	Existing	Matt Wegworth
Barber	Kent	Keithly Barber Associates, Inc.	Existing	✓
Bendix	Richard	Homestreet Bank	Existing	✓
Brombaugh	Rachel	ShoreBank Enterprise Cascadia	Existing	✓
Brooker	Kathleen	Historic Seattle	Existing	<input type="checkbox"/>
Clark	Steve	Genesee Fuel & Heating, Board member, Washington Oil Marketers Association	Existing	<input type="checkbox"/>
Dolwick	Carrie	NW Energy Coalition	Existing	<input type="checkbox"/>
Drury	Kim	Energy Consultant	Existing	<input type="checkbox"/>
Fairchild	Aaron	Greenworks Realty	Existing	✓
Finley	Scott	Atmosphere IEM, Inc.	Existing	✓
Gent	Stan	Seattle Steam	Existing	✓
Gunter	Christian	Kennedy Associates	Existing	✓
Happel	Richard	University Mechanical Contractors	Existing	<input type="checkbox"/>
Hoerler	Dusty	Sound Alliance	Existing	<input type="checkbox"/>
Humphreys	Beth	King County Department of Natural Resources	Existing	✓
Jhaveri	Arun	Certified Sustainable Development Professional	Existing	✓
Kauffman	Rod	BOMA Seattle-King County	Existing	✓
Littel	John	Pacific NW Council of Carpenters	Existing	✓
MacKintosh	Joanne	American Society of Home Inspectors	Existing	✓
Lesley-Lloyd	Karen	Tenant's Union of Washington State	Existing	✓
Price	Stan	Northwest Energy Efficiency Council	Existing	✓
Putnam	Cynthia	Putnam Price Group, Inc.	Existing	✓
Shirley	Cal	Puget Sound Energy	Existing	<input type="checkbox"/>
Tierney	Tom	Seattle Housing Authority	Existing	✓
Trafton	Chuck	WA Land Title Association	Existing	<input type="checkbox"/>
Vasquez	Pedro	Jones Lang LaSalle Americas Inc.	Existing	<input type="checkbox"/>

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City of Seattle & Presenters			
Last	First	Department	In Attendance?
Antonoff	Jayson	Seattle DPD	✓
Atwood	Glenn	Seattle City Light	✓
Calvillo Hoffman	Sarah	Seattle Fleets & Facilities	✓
Eichel	Amanda	Seattle OSE	✓
Houghton	Matt	Seattle OED	✓
Hsu	David	Seattle City Light	✓
Indig	Harry	Seattle DPD	✓
Mallory	Sandra	Seattle DPD	✓

Consultant Staff			
Last	First	Organization	In Attendance?
Blair	Ellen	Triangle Associates	✓
Erickson	Peter	Cascadia Consulting Group	✓
Grant	Christine	Cascadia Consulting Group	✓
Grodnik	Ann	Seattle Northwest Securities	✓
Kern	Michael	Triangle Associates	✓

General Public (<i>none signed up to speak</i>)			
Last	First	Organization	In Attendance?
Ferguson	Trudy	Holiday-Parks	✓
Newton	Margaret	Newton Associates Architects	✓

Meeting Purpose

The purpose of this meeting was to provide the Committee with information about two incentive and two mandate policy options, and to get the Committee members' input on these policy options. Staff also requested input from the Committee on the topic of continuous monitoring of performance, which Committee members had suggested be added to the Committee's work plan for discussion.

Welcome and Introductions

Facilitator Michael Kern of Triangle Associates opened the meeting and noted there would be time available at the end of the meeting for public comment. Michael reviewed the agenda and meeting materials.

Amanda Eichel, City of Seattle Office of Sustainability and Environment, announced that she was trying to arrange a presentation about the Sound Alliance Retrofit Task Force and the ShoreBank Cascadia Energy Loan Pilot that would be separate from the regular Task Force/Committee meetings. She said she would send more information about the presentation to the Committee. She noted that resources provided by Committee members after the October 7 Committee meeting had been posted on the Green Building Task Force website.

Jayson Antonoff, City of Seattle Department of Planning and Development (DPD), reported that the New Buildings Committee had discussed at its October 8 meeting changing the City of Seattle's

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density bonus and priority green building permitting policies to more aggressively target energy efficiency. He reported that the New Buildings Committee had decided to add the following three topics to its work plan:

1. Creating alignment between the City's high level goals and existing codes and permitting processes,
2. Evaluating actual building performance, and
3. Addressing energy consumption beyond the individual building envelope.

Financial Incentives: Energy Efficiency Tax Credits & Energy Efficiency "Feebate"

Peter Erickson, Cascadia Consulting Group, presented the analysis of energy efficiency tax credit and energy efficiency "feebate" policy options. His PowerPoint presentation is available on the Green Building Task Force website.

In response to a question, Peter clarified that the city, rather than a utility, is generally assumed to be the administrator for a feebate policy, but he said that no feebate policy has ever been enacted for existing buildings, so there is no real precedent.

In response to another question, Peter said tax credits researched by the consultant team for new building are time-limited, with a five-year limit for Leadership in Energy and Environmental Design (LEED) Core and Shell and a three-year limit for LEED for existing buildings (LEED-EB).

Assuming property taxes are targeted with a feebate, a Committee member asked if all property taxes would be raised to allow for providing rebates, and if so, what would be done with the initial surplus realized from collecting higher taxes. Peter said a property tax increase was not assumed for the policy analysis, which is why the analysis indicates that the policy would cost the City money. Christine Grant, Cascadia Consulting Group, noted that the goal for a feebate is to be revenue-neutral, not including administration costs.

The City provided the following questions for the Committee to consider while discussing the financial incentive policy options:

1. Which tax would be the best to target for rebates (e.g., property tax, B&O tax, real estate excise tax)?
2. What level of incentive payment would be sufficient to motivate building owners to pursue upgrades? What level of fee could be reasonably assessed and where should it be collected (e.g., property tax bill, utility bill)?
3. How should each tier of either the tax incentive or feebate be triggered (e.g., would a prescriptive or performance approach be more appropriate)?
4. What other thoughts, comments, ideas do you have on these policy options?

Committee member comments included the following:

1. Which tax would be the best to target for rebates (e.g., property tax, B&O tax, real estate excise tax)?

- Motivating homeowners with a tax credit might work if some sort of “toolbox” is provided to make it very easy to upgrade. The Real Estate community can be a spokesperson, establishing an education campaign to inform owners.
- A property tax credit would lower the point of entry for a property buyer. Many people are eager to find ways to lower property taxes, and a property tax credit would be a simple, effective, and immediate way to provide rebates.
- If the excise tax was used to pay for an energy audit at the point of sale (or prior to point of sale), the market would take care of payment for the retrofits themselves. If every existing building needed an audit at point of sale, it would provide a lens for considering building improvements.
- If property tax were targeted, it would incent property owners to act even if not selling. Policy should not be limited to time of sale – incentives would drive change in buildings not undergoing a change in ownership.
- In Oregon, the good thing about the BETC¹ (Business Energy Tax Credit) is that it is saleable. It can be sold to a bank or to institutional owners whose income source is pension funds, allowing them to reap the benefit. Property tax affects all commercial owners and is often a route for reducing cost and assisting with payback. Property taxes or income taxes should be targeted.
- New incentives or credits should not jeopardize existing incentive structures, particularly those promoting affordability.
- Everyone who participates in reducing energy consumption will realize cost savings. The more energy consumption is reduced, the more cost savings will be achieved. The savings to the utility should be used to pay for energy efficiency upgrades. All buildings will experience energy savings, and there should be a net gain between savings and investment by utilities and the private sector.
- It might make sense to target the public utility tax on electricity and natural gas sales with a tax incentive (not necessarily with a feebate). This is appealing because the incentive would be tied directly to the resource targeted for conservation. Perhaps the City could be involved with the public utility tax through Seattle City Light?
- Targeting the public utility tax should be considered.

2. What level of incentive payment would be sufficient to motivate building owners to pursue upgrades? What level of fee could be reasonably assessed and where should it be collected (e.g., property tax bill, utility bill)?

- The incentive should cover an energy audit. Market forces can take care of the rest if information about building energy efficiency is available. Realtors are often able to suggest low-cost improvements.

¹ <http://www.oregon.gov/ENERGY/CONS/BUS/BETC.shtml>

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- The level of incentive should relate to the payback period. A payback period of five or six years might work, while a payback period of twenty years would not.
- The level of incentive has to make the payback attractive compared to other potential building improvements, otherwise energy efficiency improvements will not be attractive.
- Puget Sound Energy has a program that provides a direct rebate from the utility. Experience shows that people are very motivated with incentives ranging from 15% - 40% of the cost of improvement. The percentages are higher than that from the perspective of incremental costs.
- Other markets have robust utility programs that benefit building owners.
- One of the resources recently posted on the Green Building Task Force website is a presentation about the European Union existing building program. One of the slides discusses a simple equation used to determine the cost-effectiveness of individual energy efficiency measures. A controlling authority can use the equation to determine which improvements make sense to pursue based on their cost-effectiveness.
- The U.S. Environmental Protection Agency may have a similar tool available.
- There is a simple software program available through the U.S. Department of Energy to determine the cost-effectiveness of energy efficiency measures.
- Seattle City Light and Puget Sound Energy already offer robust and attractive incentives to make energy efficiency improvements. Where additional incentives are needed is in the niche of ongoing performance of non-residential buildings. This would introduce incentives into the operations and attainability aspects of energy efficiency, where big capital outlays are not necessary but where there is important energy savings potential to be realized. The incentives needed may be modest but could provide a valuable adjunct to existing programs.
- For existing buildings, the City ought to consider a mechanism to continually reward maintenance or improvement of building performance.
- Every building should create its own baseline, and incentives for performance improvement should be based on improvement from that baseline.
- Creating a baseline for each building would be more complicated but more fair.
- Because fewer homeowners will be moving during the economic downturn, incentives can be targeted at a payback period of 7-10 years, rather than 2-3 years.

3. How should each tier of either the tax incentive or feebate be triggered (e.g., would a prescriptive or performance approach be more appropriate)?

- Minimum energy efficiency requirements for existing buildings should be based on the codes that were in effect when the building was constructed.
- Triggering an energy audit at the point of sale would allow the real estate community to educate buyers and sellers.
- A homeowner will be motivated to make energy efficiency upgrades if he or she knows that an energy audit will be required at point of sale. Perhaps the City could provide a list of energy efficiency upgrade options for reference. The idea is to leverage the market to incur some of the energy efficiency improvement costs along with providing education to property owners through the real estate community.

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- Homeowners will not be motivated do to energy efficiency upgrades prior to the point of sale unless their pocketbooks are affected earlier.
- Targeting the point of sale for incentives would not capture the many homeowners who wish to stay in their homes. Utility rebates, cost incentives, and energy audits should be used to motivate homeowners who are staying in their homes.

4. What other thoughts, comments, ideas do you have on these policy options?

- Combining the cap and trade program under the Western Climate Initiative with a carbon tax or feebate would magnify the economic impact of reducing or increasing carbon output.
- It is a good idea to use the cost savings to the utility from energy efficiency improvements to fund additional energy efficiency improvements.
- It would be helpful to differentiate between the application of tax to the residential buildings and non-residential buildings.
- We should also differentiate between single family residential and multifamily residential sectors.
- A large percentage of multifamily rental units are subsidized for low-income residents. New buildings that provide a certain level of affordable housing receive tax exemptions. How can energy efficiency be incentivized without compromising the affordability incentives? How can energy efficiency be incentivized for residential buildings that pay taxes differently than the private sector does?
- Incentives and problem-solving assistance are great, but the financing component is actually the most critical need. Owners need the ability to access capital at the time of investment. The City should consider putting the dollars that would have been spent on incentives into a green building revolving fund and make available to both public and private sector buildings. The source of funding would need to be guaranteed and minimum energy cost savings would need to be guaranteed.
- A proper energy audit will provide information on the simple payback period for each energy efficiency measure. The payback periods should be averaged to come up with a package of energy efficiency measures that provide the most improvement and is still cost-effective.

Upgrade Mandates: Prescriptive "Checklist" Requirements & Performance Requirements

Peter presented the analysis of prescriptive upgrade requirements and performance upgrade requirements policy options. His PowerPoint presentation is available on the Green Building Task Force website.

The City asked the Committee to consider the following questions while discussing the financial incentive policy options:

1. For each sector (single family residential, multifamily residential, non-residential), would a performance- or checklist-based upgrade approach be more appropriate?
2. What are the appropriate thresholds for individual owner investment in upgrades? Should there be exemptions for particular sectors or classes of owners (and if so, what should those be)?

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3. What are the most appropriate triggers for policy application (e.g., point of sale, point of lease, date certain, etc.)? Who should bear the responsibility for upgrades (e.g., buyer v. seller)?
4. What other thoughts, comments, ideas do you have on these policy options?

Committee member comments included the following:

- 1. For each sector (single family residential, multifamily residential, non-residential), would a performance- or checklist-based upgrade approach be more appropriate?**

Single Family Residential

- Performance-based mandates do not make sense because there are many variables in the way homes are used, such as home offices, 24-hour care for elderly residents, etc. A prescriptive checklist would make more sense in the residential sector.
- A performance-based mandate is preferable to a prescriptive one. A prescriptive checklist would make homes generic. Certain upgrades could cause some homes to lose value. For example, requiring new windows in a historic home with leaded windows would diminish the home's historic value.
- I do not like the idea of the City specifying improvements in a home (except perhaps when an appliance is changed out). Mandates should be about pointing the market in a certain direction, not mandating specific upgrades.
- Built Green is considering incorporating energy into its retrofit checklist and is trying to identify ways to use the market by offering a Built Green checklist to people who do retrofits and giving them an energy score, without mandates. The idea is to incentivize doing an audit and allow the market to create benefit.
- It would make sense to have both prescriptive- and performance-based options available. Sometimes programs begin with prescriptive checklists because people are uncertain of their options, but eventually performance measures are used because results are what really matter.
- Many homeowners want to do the right thing but may not know how. A prescriptive approach would help them, perhaps starting with a voluntary program and moving to a mandate. If there is any kind of mandatory requirement, it should be coupled with incentives for early action to extend the reach of the policy.

Multifamily Residential

- A landlord cannot control tenant behavior, which makes a performance-based approach problematic (therefore a checklist approach may be more appropriate).
- A performance-based approach would be easier if multifamily residences were submetered. Submetering is required in new construction for electricity, though it did not used to be, and the policy is different for natural gas and boilers.
- Upgrades to units could be made when the lease is changing, but all units could not be upgraded at once. The churn of units lends itself to ongoing work.
- There is a need for education between landlords and tenants.

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- It is necessary to consider who should bear the burden of upgrades. Tenants can/should be responsible for some things (e.g. incentives for behavior changes), but landlords should be held responsible for major upgrades / the energy efficiency of common areas.
- It may be necessary to differentiate multifamily buildings by age, style (tower v. garden-style, for example), etc.

Non-Residential

No specific comments.

General

- A mandate would have to be limited to the building itself, not occupant behavior.
 - The City should consider using an Energy Performance Score, which could combine the building itself and energy usage.
 - In new construction, builders have struggled to comply with a checklist approach. Allowing flexibility (and therefore promoting creativity) for new and existing buildings in reaching a specified level of performance would work better and still allow buildings to achieve high levels of efficiency.
- 2. What are the appropriate thresholds for individual owner investment in upgrades? Should there be exemptions for particular sectors or classes of owners (and if so, what should those be)?**
- The City should consider exemptions for senior citizens, disabled people, and low-income residents.
 - Low-income residences should definitely be included in any energy efficiency program, despite any consideration of exempting them from certain **costs** or requirements. Seattle City Light is doing great work with non-profit and low-income residential communities for new and existing construction. Energy savings have a direct impact on affordability via lower utility bills, so instead of creating an exemption, the City should expand assistance programs.
 - There should be no hard thresholds defined in statute. The threshold should be a percentage of some kind or based on cost-effectiveness.
 - A mandatory checklist at point of sale combined with incentives for action before point of sale could be a simple alternative to defining a threshold.
 - Many low-income residents would prefer to have energy efficient homes.
- 3. What are the most appropriate triggers for policy application (e.g., point of sale, point of lease, date certain, etc.)? Who should bear the responsibility for upgrades (e.g., buyer v. seller)?**

Single Family Residential

- The mandate could be triggered at the point of sale, but perhaps certain residents, such as senior citizens, could be exempted.
- A mandate should not be triggered while a resident is staying in a home.

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- If mandates are triggered at point of sale, perhaps incentives could be used to encourage people staying in their homes to do upgrades.

Multifamily Residential

- If tenants are submetered, they may be incentivized to make small changes such as using compact fluorescent light bulbs. The landlord must make any major changes like changing out windows.
- Perhaps landlords could be incentivized to retrofit on a per unit basis. As they retrofit units they would receive a break on property taxes.
- Rebates to landlords will not necessarily result in reduced rent for tenants, but tenants may benefit from lower utility bills.
- Energy efficiency is one way for landlords to upgrade properties to retain tenants.
- Certain upgrades could be required when a lease is turned, but that might be too aggressive.
- Whether requiring upgrades when a lease is turned is too aggressive depends on whether landlords are required to do things like change out appliances versus doing structural or systems work.

Non-residential

- Performance- or prescriptive-based mandates could be incorporated into energy code. Most commercial renovation projects require a City permit. But the City is limited by state law in the extent it can revise residential code.

General

- Who should bear responsibility for upgrades? Property owners (sellers) generally have the money to do upgrades if they are incentivized to do so.
- If upgrades are required at point of sale, with either buyer or seller taking on the responsibility, the City would have to inspect to make sure buyers fulfill their responsibility.

4. What other thoughts, comments, ideas do you have on these policy options?

Reservations about Mandates

- It is difficult to be fair with mandates and they are expensive to implement. The variety of property types could make it difficult to implement a mandate that would yield the desired results.
- If the City pursues a mandate, other good ideas that the Committee has discussed could get lost in the focus on the mandate.
- Mandates are easier for new construction, because builders can incorporate requirements into their plans. There are limitations on mandates for existing buildings given the complexity of the existing building market. It is very complicated to do mandated improvements in existing buildings. Certain types of buildings have not even been discussed by this Committee. However, there is more opportunity for energy savings in existing buildings than in new buildings.

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- The word “mandate” has negative political connotations. It sounds like someone’s freedom is being curtailed.
- The Mayor has shown leadership on these issues, but no mandate is politically viable today for existing buildings. The City could implement incentives for five years to “prime the market pump,” and then perhaps implement a mandate.
- There is a lot of opportunity still in incentives before contemplating mandates.
- The City should not mandate residents to do upgrades when the public and commercial sectors have not been mandated.
- Mandates would not work well for the commercial sector, given how varied the market is.

Interest in Mandates

- It is true than one mandate could not accommodate all building types, but specific energy efficiency measures could be mandated. For example, the City could require that all homes be insulated to certain standard at point of sale, and additional energy efficiency measures could be promoted with incentives.
- For the residential sector, perhaps a matrix of building types and energy efficiency measures would be useful to determine which measures ought to occur in which buildings.
- Upgrades should not be mandatory to the point of being painful to implement, but there does have to be leadership from a political point of view. A piecemeal basis of implementation will not work.
- I am concerned about mandates, but they do exist. If, for example, new homes must be insulated to a certain standard, why shouldn’t existing homes be required to upgrade to that level of insulation at point of sale?
- The City could start with voluntary measures, as it did with recycling, and then move to mandates if progress toward the energy efficiency goal is insufficient. Education is needed with the incentives.

Other

- The City could incentivize the availability of information about energy efficiency. Information moves markets.
- The important thing is education so people understand the upgrade options available to them and how they benefit.
- Reducing the carbon footprint should not just burden homeowners and property owners. Any energy efficiency program should be gradual, so people can be educated and provided with options. A major marketing effort is needed, think Smoky the Bear, and simple, pragmatic measures need to be promoted.
- There has been plenty of leadership in the commercial sector on a voluntary basis, despite the availability of cheap energy. There is still a lot of room to grow on the voluntary side.
- It does not make sense to rely completely on market forces to reach the City’s energy efficiency goals, as evidenced by the current financial crisis created by market forces, or to rely completely on the government. Public/private partnership is necessary.
- The City should focus its energies where the most energy savings can be achieved.

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- Commercial building owners spend 10-20% of their budget on utilities. It is a bottom line issue for them. Upgrades could save energy and save them money. They need incentives to make the upgrades.
- Homeowners will want to make energy efficiency upgrades as energy becomes more expensive.
- Many office building owners (though not all commercial owners) have already voluntarily done all the relatively easy upgrades.

Continuous Monitoring of Performance/Policy Implementation

Michael said that the meeting agenda included time to discuss continuous monitoring of performance/policy implementation because the Committee had requested that this topic be added to the Committee work plan. He said Committee members are interested in ensuring that actual building performance is maintained after an upgrade has been made as a result of incentives or mandates. The City provided the following five questions for the Committee to consider, if the Committee found the questions helpful:

1. What performance metric makes the most sense to track (e.g. Energy Use Index, Portfolio Manager Score, Energy Performance Score [EPS])?
2. How often should internal monitoring be conducted relative to the chosen metric (and how would this be incented or enforced)?
3. How often should reporting or disclosure be required for validation or compliance with a particular disclosure mandate?
4. Is there value in comparing performance metrics across a given sector (real time monitoring and reporting)? Would this type of comparison be sufficient to induce behavioral changes?
5. Should the recommendation to the Mayor include anything on this topic?

1. What performance metric makes the most sense to track (e.g. Energy Use Index, Portfolio Manager Score, Energy Performance Score [EPS])?

- We should consider reporting carbon annually through The Climate Registry, which is a structured way to count carbon emissions and can be used for every property. It's an existing metric with established standards. I would recommend it as a simple target; if a building's carbon emissions increase then the building owner needs to take action.
- Home buyers always want to know what previous energy use has been. The Climate Registry would provide a great focus around which to educate homeowners about energy usage. Homeowners could report their carbon annually along with doing their taxes. They could write off portion of carbon reporting for home offices, just like they do for taxes.
- It would be difficult for condominium owners with central heat to report their carbon. Perhaps education at the point of sale is what makes sense in that situation.
- Performance scores are about how far you've gone to upgrade a building, so they do not make sense as a metric for ongoing performance.
- Maybe the City could increase the required performance scores over time.
- Monitoring could be about performance in a building or about monitoring whether policy is achieving its aims.

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- It is necessary to establish a baseline for energy use before starting to monitor buildings, which can be done through an energy audit, using BTUs per square foot per year. Once the City knows what the energy consumption is in existing buildings, it is simple to work toward a 20% reduction in energy consumption by 2020.
 - BTUs per square foot per year may not be a meaningful metric to a layperson. What is necessary is a benchmark. The Energy Use Index and ENERGY STAR both involve setting benchmarks.
 - Many commercial building owners already know their baselines, although it is harder to know for mixed use buildings. The important thing is to put the benchmark in terms an owner can understand, like cost per square foot. Several metrics do that.
 - We need to differentiate between an energy use metric and an energy cost metric. One measures energy consumption and the other measures cost.
 - Many metrics would be useful. You can back into the 2020 goal and determine the progress that is needed.
 - I favor Energy Performance Scores for the residential sector for ease of use and information that is understandable in the market.
 - It is critical when baselining properties not to penalize property owners who have already made progress on energy efficiency. 2005 does not go back far enough to avoid penalizing those owners.
 - Over time, we will want less housing space used per person. So we not only care about use per square foot, but also how many total square feet are we counting. That does not fit neatly into the political matrix.
- 2. How often should internal monitoring be conducted relative to the chosen metric (and how would this be incented or enforced)?**
- 3. How often should reporting or disclosure be required for validation or compliance with a particular disclosure mandate?**

(Committee member comments to Questions 2 and 3 overlap.)

- Perhaps a simple reporting mechanism could be required at point of sale on the title with King County.
- Point of sale seems like a practical trigger.
- It probably does not make sense to do reporting more than once a year. Incentives should be available on an ongoing basis so all buildings don't have to report at once.
- If an incentive is offered for single family homes to track and report a chosen metric, who would do the tracking and reporting? Would a service be offered?
- Homeowners would take advantage of incentives to track and report performance to the City.
- Utilities already have all of the data to look at the City overall, certain sectors, neighborhoods, and areas with energy efficiency programs versus control areas. Why would a homeowner need to hire anyone to track and report?
- Can the utility be responsible for residential reporting and businesses be responsible for business reporting? The assessor has the information about the square footage of residences to input into any metric.

Sandra Mallory, City of Seattle Department of Transportation, said that King County is currently tracking energy use per census tract through Puget Sound Energy. The census tract is a unit about which Puget Sound Energy feels comfortable sharing information without violating privacy. Sandra said that it is possible to analyze smaller sector, but it is not straightforward because the data is set up for billing purposes, not reporting.

4. Is there value in comparing performance metrics across a given sector (real time monitoring and reporting)? Would this type of comparison be sufficient to induce behavioral changes?

- There are already systems for residential customers to compare electricity, gas, and water usage to the previous year. Could more information be provided on the bills, like usage for a typical four-person household?
- Comparing usage baselines behavior, not the building.
- Nothing is more powerful than showing a commercial property owner how their building compares to a comparable building, a competitor. Energy efficiency improves a building's bottom line, so seeing a competitor perform better will motivate a property owner.
- Information about performance for different building types could be posted on a City website. Property owners could compare their properties against that information.
- Puget Sound Energy has good information online. Seattle City Light could do something similar.
- Puget Sound Energy's information includes the average temperature, which can explain changes in energy usage.

5. Should the recommendation to the Mayor include anything on this topic?

Committee members generally agreed that the recommendation to the Mayor should include this topic.

General Discussion

- At some point, homeowners will run out of building improvements to make, and behavior will be the important variable. Is it acknowledged that there is only so much progress to be made through building upgrade incentives?
- If you buy an ENERGY STAR appliance, you receive a rebate. If an energy customer saves a certain amount of energy on an annual basis, could that be translated into a rebate?
- Seattle City Light already provides rebates for energy efficiency measures, such as replacing single pane windows. That sort of incentive should be formalized for all kinds of improvements in the residential and non-residential sectors.
- Building life cycles used to be assumed to be 25 years. As technology improves, the life cycle is increasing to 50-100 years. Building improvements must be based on certain criteria which depend on the life cycle.
- The federal government says improvements can be depreciated after 39.5 years.

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Wrap-Up

Public Comment

There was no public comment

Open Discussion on Existing Building Issues

At the Committee's request, the City agreed to update and distribute to the Committee the list of all potential energy conservation policy options that the Committee has discussed/will discuss. Committee members may use this list to solicit additional input from their constituencies and provide that input to the City.