

# CITY OF SEATTLE MAYOR'S GREEN BUILDING TASK FORCE

## Existing Buildings Committee Meeting

Tuesday, November 18, 2008, 2:00 pm – 5:30 pm

Seattle Downtown Central Library, 1000 4<sup>th</sup> 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	✓
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	<input type="checkbox"/>
Happel	Richard	University Mechanical Contractors	Existing	<input type="checkbox"/>
Hoerler	Dusty	Sound Alliance	Existing	✓
Humphreys	Beth	King County Department of Natural Resources	Existing	<input type="checkbox"/>
Jhaveri	Arun	Certified Sustainable Development Professional	Existing	✓
Kauffman	Rod	BOMA Seattle-King County	Existing	✓
Littel	John	Pacific NW Council of Carpenters	Existing	<input type="checkbox"/>
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	✓
Calvillo Hoffman	Sarah	Seattle Fleets & Facilities	✓
Eichel	Amanda	Seattle OSE	✓
Indig	Harry	Seattle DPD	✓
McAuliffe	Heather	Seattle Department of Neighborhoods	✓
Surrat	Brian	Seattle OED	✓

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

General Public ( <i>several in attendance, none signed up to speak</i> )			
Last	First	Organization	In Attendance?
Balderston	Tom	Conservation Services Group	✓
Harp	Mark	The Pond Store	✓

### Meeting Purpose

The purpose of this meeting was to get input from the Committee on how to best package the energy efficiency policy options that were discussed at previous Committee meetings.

### Welcome and Updates

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

Jayson Antonoff, City of Seattle Department of Planning and Development (DPD), reported that the New Buildings Committee had discussed packages of policy options at its November 13, 2008 meeting. He noted some commonalities among the Committee members' policy preferences, in particular that while post-occupancy evaluation/performance monitoring is not part of the New Buildings Committee mandate, there ought to be a mechanism to monitor how buildings are operated. Jayson said more information about the New Buildings Committee's policy preferences will be presented at the December 2, 2008 Green Building Task Force meeting.

### Review of Policy Options Discussed

Peter Erickson, Cascadia Consulting Group, provided a brief review of each policy option discussed at previous Committee meetings. Amanda Eichel, City of Seattle Office of Sustainability and Environment, summarized the input she had heard from the Committee on each policy option. Peter and Amanda's PowerPoint presentation is available on the Green Building Task Force website.

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The Committee was invited to comment on and/or correct the summaries of Committee comments.

Measurement and Disclosure Policy Options

The Committee and the City agreed that the PowerPoint presentation and meeting handouts needed to spell out that both voluntary and mandatory measurement and disclosure policy options are being considered.

Committee members expressed interest in a voluntary approach to energy efficiency, starting with measurement and disclosure, followed up by a mandatory approach for efficiency upgrades if volunteerism does not achieve the Mayor's energy efficiency goal. They cited the approach that the City has taken with recycling.

Committee members said that the City should provide information about the average performance of a range of building types to allow building owners to see how their buildings compare. There was interest in requiring some type of measurement and disclosure at the time of a building retrofit. Alternatively, all buildings could be required to complete energy audits every 2-3 years, with technical assistance provided by utilities.

The Committee agreed that behavior is an important factor in energy consumption that should be addressed with education and outreach. Some Committee members felt that the physical performance of all residential and non-residential buildings should be public knowledge.

*Single Family Residential Sector*

Committee members shared the following thoughts specific to single family homes:

- Any measurement or disclosure policy should be quick and inexpensive for property owners to implement.
- An energy efficiency checklist could be included in the typical home inspection performed at point of sale. Alternatively, inspections could be expanded beyond just the point of sale to help homeowners who are not selling understand how to improve their homes' energy efficiency.
- The City could provide an incentive directly to inspectors to provide energy audits.

The Committee debated whether homeowners should be required to disclose the historical energy use or a performance rating. Several Committee members opposed requiring homeowners to disclose any energy usage information, except perhaps to potential buyers at the time of sale, in order to protect homeowner privacy. Some Committee members supported voluntary disclosure by homeowners who want to use the information as a selling point. A Committee member said that a potential buyer would want to know a building's performance capability, not how occupants behaved, so a checklist approach may be sufficient, as well as easy.

Committee members felt that any measurement and disclosure policy should include education about how to improve home energy efficiency.

*Multifamily Residential Sector*

Committee members shared the following thoughts specific to multi-family homes:

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- Condominiums (owner-occupied multifamily) and multifamily rentals should be considered separately.
- Some incentives that apply to single family residential would also apply to condominiums.
- The City should consider whether 2-4 unit condominiums belong with the single family residential sector or multifamily residential sector.
- Consider approaching condominium owners through homeowner associations and perhaps work with the associations on the efficiency of common spaces.
- Separate checklists for dwelling units versus centralized heating/cooling systems could be appropriate.
- City should address the boilers that are common in older multifamily buildings, perhaps by providing incentives to upgrade to a more efficient heating system.

*Commercial Sector*

The Committee discussed whether disclosure should be mandatory and how disclosure would be implemented:

- Building owners would ideally be provided with options for complying with policy, such as doing an energy audit or demonstrating energy savings over a specified time period.
- Disclosure could be voluntary, and possibly tied to an incentive, with information about individual buildings posted on a public website. The website could include information about the average performance of various building types or the City's goals for building performance.
- Peer pressure and the opportunity for a marketing advantage would be motivation for voluntary disclosure.
- Disclosure could also be mandatory at point of lease or sale.

Financing and Incentive Policy Options

In addition to the specific financing options considered by the Committee, members expressed a strong interest in raising and/or restructuring utility rates to set a price signal that encourages energy conservation:

- This might be the simplest and most straightforward way to encourage improvements in energy efficiency.
- A public utility tax could be used to restructure rates. This could be structured like a public benefits charge, providing revenue for expanded conservation programs.
- Alternatively, Seattle City Light could raise rates but provide ratepayers with rebates after two years if they meet a specified energy usage target.

A Committee member expressed support for a "green" revolving fund with an interest rate equal to the Consumer Price Index. Committee members suggested recommending changing the state constitution to allow utilities to lend money for energy efficiency work.

Some Committee members expressed interest in a program for energy efficiency upgrades modeled after ShoreBank Cascadia's program for septic systems on Hood Canal.

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Tax Credit, Feebate, and Upgrade Mandate Policy Options

In general, the Committee agreed that while additional incentive dollars are important, access to capital remains the key limiting factor to efficiency upgrades. Committee members suggested that the City refer to the Governor's Climate Action Team's work on tax credits. The City should also consider how to best integrate existing federal tax credits into policy development and deployment.

Committee members expressed interest in incentives over energy code updates. To increase participation in incentive programs, they suggested basing incentives on the amount of energy savings to be achieved instead of using code as the baseline. Seattle City Light could also consider a 2 year tax holiday on code as the baseline for setting incentive levels in order to increase reach of existing programs.

Committee members suggested that upgrade mandates be implemented for public buildings as a way to lead by example.

**Identifying Preferred Policy Categories**

Amanda distributed a one-page draft summary matrix of the policy options considered and the Committee's preferences. The draft matrix is available on the Green Building Task Force website.

The City asked the Committee to consider several questions for discussion. The questions are listed below along with the Committee's comments.

**Should phasing of policies be considered in designing packages or adding elements?**

Many Committee members supported a voluntary approach combining education and incentives as an initial step, moving to a mandatory approach if necessary to achieve the Mayor's energy efficiency goal.

**Are there special cases that should be considered in designing this policy (e.g., affordable housing, rentals, "energy hogs," historic structures, etc.)?**

Historic Buildings:

- Some energy efficiency measures, such as replacing windows, are not appropriate for historic buildings.
- Historic buildings must be very clearly defined to avoid creating unintended loopholes.

Affordable Housing

- The City should include vulnerable groups such as senior citizens and low-income residents in energy efficiency programs, but avoid burdening them with high costs.
- Education and outreach should be conducted in multiple languages and be sensitive to different cultures.

The Committee agreed that the City should consider "energy hogs" as a separate category for energy efficiency policies.

**How should considerations related to occupant behavior, education and continuous monitoring be incorporated into this approach?**

Committee members supported a major outreach and marketing campaign to provide basic information about energy efficiency, energy consumption and simple ways to improve efficiency. Committee members suggested targeting education to school children and utilizing existing networks and grassroots organizations.

Additional suggestions for outreach and monitoring included:

- Offer commercial building owners the opportunity to publicly sign on as a partner in reaching Seattle's energy efficiency goal and define and commit to strategies reduce energy consumption.
- Any incentive policy for the commercial sector, and possibly the multifamily residential sector, should include continuous monitoring requirements.
- Homeowners already receive information about their energy consumption via their utility bills
  - there is opportunity to provide homeowners with more information about how to reduce consumption.

**What else should we have asked that we did not?**

- City should identify policies that can be implemented quickly, because earlier action on climate change will have more of an impact.
- Early action would also stimulate job creation earlier rather than later.
- Ensure that the energy delivery system is as efficient as possible.
- Focus its energy efficiency efforts on whichever building sectors offer the greatest opportunity for energy savings.
- While many homes have been weatherized, new technology that is now available could make those homes much more efficient.

Committee members emphasized that the any policy would need to address natural gas and oil as well as electricity.

**Wrap-Up**

Public Comment

There was no public comment.