



**City of Brisbane Building Efficiency Program
Economic Development Subcommittee Study Session
City Hall, 50 Park Place, Brisbane, CA 94005
Thursday, August 29, 2019
12:30 - 2:30 p.m.**

Meeting Notes

• **Welcome & Introductions**

Attendees:

- Economic Development Subcommittee Members: Councilmember Karen Cunningham, Councilmember Cliff Lentz, City Manager Clay Holstine, Economic Development Director Mitch Bull
- Open Space and Ecology Committee, Climate Action Plan Subcommittee Members: Glenn Fieldman, Barbara Ebel, Ross Dykes
- Additional City Staff: Public Works Director Randy Breault, Public Works Deputy Director Karen Kinser, Sustainability Management Analyst Adrienne Etherton, Administrative Management Analyst Angel Ibarra
- Consultant: Marc Costa, Director of Policy & Planning, The Energy Coalition

• **Agenda & Goals Overview**

- Adrienne updated the group on how this ordinance aligns with the City Climate Action Plan

• **Project Overview**

- Intent
 - Lower environmental impact of buildings through water and energy
 - Have access to data to make informed decisions about meeting City goals
 - Data is important not only for the City but also for the building owners in the city to drive market transformation

• **Background**

- Recap of CAP and BAAQMD funding provided by Adrienne
- Overview that this is a 2 phase grant, and we are in phase 1 of developing the ordinance and bringing it to council; the next phase of funding is for building the infrastructure to implement the ordinance

• **Technical Introduction**

- Discussed building stock, how many buildings are in Brisbane, and who the largest building owners are

• **Benchmarking and Auditing Overview**

- Explained that ENERGY STAR Portfolio Manager is a public and free tool that is the most common way that owners benchmark their buildings
- 21+ Billion square feet of US real estate are already in Portfolio Manager
- Provided a brief overview of audits and the point that they help discover ways (measures) to save energy and water in buildings
- Explained Asset Score and ASHRAE Audits and how they apply to small and large buildings



- Explained retro-commissioning / re-tuning and how it helps identify low and no cost savings opportunities in buildings
- Karen Cunningham requested a sample audit, possibly from the Doubletree
- **Neighboring City Programs**
 - Reviewed what ordinances are in CA and the US and what our neighbors are doing inside of CA
- **Summary of Engagement Efforts and Prominent Feedback**
 - Recap of webinars, workshops and 1-1 meetings with largest building owners
 - Cliff asked if any other San Mateo County cities are doing this, and the answer from Adrienne was no, but the other city counterparts regularly ask Adrienne about the ordinance. Part of the BAAQMD grant is to create a replication toolkit.
- **Review what ordinance is, how it would work generally (sections, flowchart)**
 - 10k sqft is the minimum threshold for benchmarking which minimizes the number of buildings and maximizes the square footage covered. This is the “sweet spot.”
- **Review of Ordinance Sections**
 - Discuss threshold and justifications for decision making
 - Talked about the logic behind choosing an in-depth audit cut-off of 40k sqft. This minimizes the impact on owners while capturing the most amount of square footage.
 - Showed flow-chart. Takeaways were the timing for benchmarking and audits, and then about who is exempt.
 - Detail who is exempt and how the Performance and Prescriptive Paths work
 - Showed the list of reasons that an owner would be exempt for benchmarking and/or audits.
 - Performance path: A building owner can take this pathway if their ENERGY STAR score is 80 or better, or improved it by 20 or more points. And if the building is not a property type that ENERGY STAR creates a score for, then you can reduce your consumption relative to your own past consumption by 20%.
 - Question from Clay - if your first year your score is low, when does your baseline reset? We will clarify that in the ordinance language.
 - Prescriptive path: This is where an owner must take action “beyond benchmarking.” This is split into requirements for small buildings, for which audits are easier and lower-cost, and requirements for large buildings, which are more aligned with industry-standard auditing procedures.
 - Karen Cunningham requests a list of the measures.
 - Schedule, Penalties, Fees, Appeals
 - The city will lead by example and have a lower square-footage cutoff for benchmarking than for non-city owned buildings.
 - Randy offered pathways for fines that typically proceed administrative fines through the municipal code which is up to \$500/day.
 - There is also language in the ordinance for an early compliance pilot.
 - Backup slides on energy efficiency and water measures
- **Expected Impacts**
 - 2,700 MTCO₂e reduction overall
 - We will get information on the PCE impacts



- **Discussion**

- Glenn - what are the staffing requirements over the next 5 years? San Jose - 2 full time staff for example. Climate Corps fellows are an option. There is also around \$100k for phase 2 of the grant to start up the ordinance.
- How did the 1-1 meetings go with the top building owners? Very well - a lot of the particular questions helped define exemptions. Some of the owners also had buildings that were part of other jurisdiction's ordinances such as SF, San Jose, and California's AB 802 and already understood what would be required, which was a positive sign.
- How are industrial vs commercial buildings defined?
 - We will include definitions in the ordinance to explicitly define industrial, commercial and multifamily buildings. This will align with both the CEC AB 802 definition, as well as with ENERGY STAR Portfolio Manager.
- BiRite is doing a lot of good work and has solar already. How will they get rewarded or recognized? There is an exemption for solar and we are planning on doing case studies.
- Who benefits from the savings in the ordinance in the case of a leased building? There are green leases and resources that outline these topics.
- How do development agreements play into the ordinance? New buildings will be LEED silver or better per other adopted building codes.
- Discussed the cost of audits and RCx. Noteworthy is that RCx typically has a rapid payback.
- Asked if installation of a small amount of solar could be a way to cheat the system?
 - We specify that solar must offset 20% or more of the total site energy GHG emissions.
- Questions around building electrification and decarbonization came up, and points were raised that the information and data coming from this ordinance can inform other future planning efforts in the city.
- Crocker Park buildings are fully depreciated and are mostly triple net leases, so there is no incentive for the owner to upgrade the building. In some instances, the fines must be clearly articulated to the owners, as a stick may be needed versus a carrot.

- **Next Steps**

- Make any updates to the ordinance identified or recommended today
- Circulate to staff for comment
- Bring to council in November