Background

- Ordinance approved by San José City Council on Dec. 11, 2018
- Aligned with Climate Smart San José
- Supported by the City Energy Project (CEP)
Benchmarking Supports Market Transformation

“Market transformation is a process of strategic intervention in the market to bring about widespread, permanent change”

Institute for Market Transformation

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Development Timeline

- Awarded CEP Grant Summer 2016
- Climate Smart Adopted February 2018
- Presented Draft Ordinance to Task Force July 2018
- Ordinance Research and Development throughout 2017
- Began Task Force Meetings February 2018
- Approved by City Council December 2018

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Building Performance Ordinance Benefits

- Attract new customers
- Sustainable purchasing
- Decrease energy use
- Decrease carbon emissions
- Decrease water use
- Improved env. health
- Improved maintenance
- Reduced energy burden
- Lower costs
- Catalyze innovation
- Create new jobs
- Benefits to businesses
- Benefits to San Jose
- Benefits to Building tenants

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Ordinance Task Force

Engaged more than 50 organizations and 100 individuals over the course of 7 months

- Meeting 1: Introduction to benchmarking and transparency ordinances
- Meeting 2: Examining San José’s building stock
- Meeting 3: Reporting and transparency
- Meeting 4: Examining ordinance components, reporting, and compliance
- Meeting 5: Implementation and enforcement, education and training
- Meeting 6: Final workshop, reviewing draft ordinance

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## Sample Presentation:
### Building Stock Summary Analysis

<table>
<thead>
<tr>
<th>Threshold</th>
<th># of Buildings</th>
<th>% of Buildings</th>
<th>% of Gross Square Footage</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000</td>
<td>1558</td>
<td>13%</td>
<td>70%</td>
</tr>
<tr>
<td>30,000</td>
<td>2280</td>
<td>19%</td>
<td>78%</td>
</tr>
<tr>
<td>25,000</td>
<td>2607</td>
<td>22%</td>
<td>80%</td>
</tr>
<tr>
<td>20,000</td>
<td>2930</td>
<td>24%</td>
<td>82%</td>
</tr>
<tr>
<td>10,000</td>
<td>4766</td>
<td>40%</td>
<td>90%</td>
</tr>
</tbody>
</table>

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# Sample Presentation: What Do Other Cities Publish?

## Building Identification
- Local Building ID/Portfolio Manager ID
- Parcel Number/Tax Parcel/Tax ID/BBL ID
- Property or Building Name
- Parent Property Name
- Owner
- Address
- Postal Code
- Community/Neighborhood/Ward/Borough
- Location (Latitude, Longitude)
- Compliance Status

## Property Characteristics
- Property Floor Area (buildings) (ft²)
- Property Floor Area (buildings and parking) (ft²)
- Number of Buildings
- Primary Property Type
- Property Uses
- Year Built

## GHG Metrics
- Total GHG Emissions (Metric Tons CO₂)
- Total GHG Emissions Intensity (kgCO₂e/ft²)
- Direct GHG Emissions (MtCO₂e)
- Indirect GHG Emissions (MtCO₂e)

## Water Metrics
- Water Use (kgal)
- Municipally Supplied Potable Water, Indoor Intensity (gallons/ft²)
- Water Intensity (gal/ft²)
- District Chilled Water Use (kBTU)

## Energy Metrics
- Energy Star Score
- Energy Star Certified
- Source EUI (kBTU/ft²)
- Weather Normalized Source EUI (kBTU/ft²)
- Site EUI (kBTU/ft²)
- Weather Normalized Site EUI (kBTU/ft²)
- Electricity Use - Grid Purchase and Generated Onsite (kWh)
- Natural Gas Use (therms)
- Natural Gas Use (kBTU)
- District Steam Use (kBTU)
- Fuel Oil #2 Use (kBTU)
- Other Fuel Use
- Onsite Solar (kWh)
- Total Site Energy (kBTU)
- Total Site Energy - % Electricity
- Total Site Energy - % Gas
- Total Site Energy - % Steam
- Percent Better than National Median Site EUI
- Percent Better than National Median Source EUI

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< ![Logo] >
Sample Presentation:
Discussion

Questions about the material covered or information presented?

What is a reasonable coverage threshold for San José? How will different thresholds impact the building stock and stakeholders?

What is a reasonable compliance timeline for San José? How will different compliance timelines or ‘phasing’ impact stakeholders?

What else do we need to consider about the building stock?

How can the City support benchmarking and reporting for building owners?

Do any working groups need to be designated?
Adopted Ordinance Framework

- Commercial and multifamily buildings over 20,000 square feet
- Includes both energy and water annual benchmarking
- Beyond Benchmarking
  - 5-year cycle, phased in based on parcel number
  - Buildings can “choose their own destiny,” pursuing either a performance or improvement pathway
  - Exemption for multifamily
# City of San José Benchmarking and Transparency Ordinance

## EVERY 5 YEARS: Beyond Benchmarking Pathways

<table>
<thead>
<tr>
<th>MEET REQUIREMENTS FOR</th>
<th>ENERGY</th>
<th>and</th>
<th>WATER</th>
</tr>
</thead>
<tbody>
<tr>
<td>PERFORMANCE PATHWAY:</td>
<td>ENERGY</td>
<td>and</td>
<td>WATER</td>
</tr>
<tr>
<td>OPTION 1</td>
<td><strong>ENERGY STAR</strong> Score of 75 or greater</td>
<td>or</td>
<td><strong>ENERGY STAR</strong> Water Score of 75 or greater</td>
</tr>
</tbody>
</table>

**LEED EBOM**

LEED Existing Buildings Operations and Maintenance Certification, meeting compliance standards for both energy and water

<table>
<thead>
<tr>
<th>IMPROVEMENT PATHWAY</th>
<th>ENERGY</th>
<th>and</th>
<th>WATER</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPTION 1</td>
<td>ASHRAE 2 Energy Audit</td>
<td>or</td>
<td>Water Audit</td>
</tr>
<tr>
<td>OPTION 2</td>
<td>Energy Retro-Commissioning</td>
<td>or</td>
<td>Water Retro-Commissioning</td>
</tr>
<tr>
<td>OPTION 3*</td>
<td>Choice of 2 Energy Efficiency Improvement Measures</td>
<td>or</td>
<td>Choice of 2 Water Efficiency Improvement Measures</td>
</tr>
</tbody>
</table>

*For buildings without central cooling only

**Multifamily buildings under 50,000 sq. ft. without water submetering are eligible for exemption to this ordinance requirement

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Status Update

- Approved by California Energy Commission
- Five-month implementation ramp up for first reporting deadline of May 1, 2019
- Approx. 645 reports received to date, with over 460 verified as in compliance
- Implementing a cost-recovery system for FY 2019-2020
  - Fee set at $150 per building
Outreach and Resources Developed

- Nine webinars
- Five half-day open office hour sessions
- Thousands of 1-1 assistance calls, screenshares, emails...

- General flyer
- FAQ’s
- Compliance Checklist
- Extension and Exemption Request Form
- Published Covered Buildings List
Lessons Learned through Development

- Early and frequent interdepartmental engagement
- Leverage existing relationships to build stakeholder network
- Start mapping existing resources ahead of time
- Always ask “Who isn’t here that should be?”
- Talk to other cities - don’t recreate the wheel!
- Begin ordinance drafting early
Lessons Learned through Implementation

- Leverage industry and trade associations in outreach
- Low technical skill of building owners
- Misconceptions about data access
- Ensure fully dedicated staff are available in weeks leading up to and immediately after reporting deadline
- Covered buildings list data quality issues
Helpful 3rd Party Resources

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https://www.buildingrating.org/policy-comparison-tool

https://www.imt.org/resource-library/
Questions?

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