



DATE: December 18, 2024

TO: Energy Council

FROM: Ben Cooper, Program Manager
Karen Kho, Principal Program Manager

SUBJECT: Authorization to Accept Building Performance Standards Grant Funding

SUMMARY

In April 2024, the City of Berkeley and the City and County of San Francisco invited the Agency and the Bay Area Regional Energy Network (BayREN) to partner on a proposal to the U.S. Department of Energy (DOE)'s "Assistance for Latest and Zero Building Energy Code Adoption program," which is funded by the Inflation Reduction Act. The proposed project, *Building Performance Standard: Adoption, Enforcement and Equitable Support, and Preparation for Regional Adoption*, would support the adoption of Building Performance Standards in the cities of Berkeley and San Francisco while preparing for broader adoption of similar standards in other Bay Area jurisdictions. In September, the DOE announced a \$19.9 million grant award to the cities of San Francisco and Berkeley for this project, which would be implemented over the next nine years. The Agency's role would be to supplement multifamily technical assistance services and regional policy activities that are provided through BayREN.

DISCUSSION

Building Performance Standards (BPS) are policies and laws aimed at reducing the carbon impact of the built environment by requiring existing buildings to meet energy and/or greenhouse gas emissions-based performance targets. The City of Berkeley has been exploring a BPS policy for many years, and other Alameda County jurisdictions are interested in monitoring its rollout. The grant award will primarily support the design, adoption and enforcement of Building Performance Standards in Berkeley and San Francisco. Lessons learned from the experience will be shared with other jurisdictions in Alameda County and the Bay Area to facilitate broader adoption.

The Agency's role will leverage program services provided through BayREN as follows:

- Expanding Bay Area Multifamily Building Enhancements (BAMBE) technical assistance services to support Equity Priority Buildings (EPBs) in the City of Berkeley. Target properties include multifamily buildings housing low- and moderate-income tenants, or those owned and operated by non-corporate, small businesses. The Agency can apply its experience in working with these types of properties to outreach in other Alameda County jurisdictions. See Attachment A for more details.

- Providing staff support through the BayREN Codes and Standards program to synthesize and share lessons learned with a working group of other Bay Area jurisdictions interested in building performance standards. The Agency played a similar role when the City of Berkeley adopted its Building Energy Savings Ordinance referencing Home Energy Score as a standard. No DOE grant funds are allocated for regional policy support activities, because they are covered by in-kind services that BayREN is providing to support the grant.

San Francisco is the lead agency for the grant in collaboration with the City of Berkeley. The City of Berkeley will be sub-contracting with the Agency for supplemental multifamily technical assistance services to Berkeley properties. Only hard costs including technical consulting, legal services and the federal de minimus overhead charge are included in the grant contract. All staff labor involved in administering and implementing the grant will be covered through BayREN in-kind services. This allows the Agency to recoup more overhead expenses while minimizing the grant administration and reporting burden.

RECOMMENDATION

Adopt the attached Resolution authorizing the Executive Director to accept \$1,010,000 in fiscal years 2028-2030 for multifamily technical assistance services.

ATTACHMENT

Attachment A: Scope of Work

**ENERGY COUNCIL
RESOLUTION #EC 2024 –03**

**MOVED:
SECONDED:**

AT THE MEETING HELD DECEMBER 18, 2024

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACT FOR
BUILDING PERFORMANCE STANDARDS (BPS) GRANT SERVICES AND OTHER RELATED
ACTIONS**

WHEREAS, the Energy Council recognizes that it is in the interest of local, regional, state, and federal agencies to track and measure building energy consumption and related utility costs to inform energy programs and local building codes that stimulate the economy, create and retain jobs, reduce fossil fuel emissions, and reduce total energy usage and improve energy efficiency; and

WHEREAS, the Energy Council was formed to seek funding to develop and implement programs and policies that track energy use and utility bills, reduce energy demand, increase energy efficiency, advance the use of clean, efficient and renewable resources, and help create climate resilient communities; and

WHEREAS, the Energy Council implements the Bay Area Multifamily Building Enhancements (BAMBE) program and participates in the Codes and Standards program of the Bay Area Regional Energy Network (BayREN); and

WHEREAS, the U.S. Department of Energy established the “Latest and Zero Building Energy Codes Grant Program” that provides up to \$20 million for building performance standard development, adoption, and enforcement; and

WHEREAS, the City and County of San Francisco in collaboration with the City of Berkeley led the development of a grant proposal and invited Energy Council and BayREN to become implementation partners; and

WHEREAS, on August 27, 2024 the DOE awarded \$19.9 million dollars to the proposed project, entitled *Building Performance Standard: Adoption, Enforcement and Equitable Support, and Preparation for Regional Adoption*; and

WHEREAS, the Bay Area Regional Energy Network (BayREN) will fund Energy Council staff time to implement the grant as an in-kind services match; and

WHEREAS, the City of Berkeley intends to contract with Energy Council for \$1,010,000 for multifamily technical assistance services in the City of Berkeley as described in Attachment A; and

NOW THEREFORE, BE IT RESOLVED, that the Energy Council hereby authorizes the Executive Director to:

1. Accept funds in the amount of \$1,010,000 and add Project 1317 Building Performance Standards to the agency budget in future fiscal years.

2. Enter into all necessary contracts and agreements with the City of Berkeley.
3. Approve any required time extensions, modifications, or amendments thereto.
4. Allocate the necessary resources to implement and carry out the scope of work.

BE IT FURTHER RESOLVED, that the Executive Director as the Board President's designee, is hereby authorized to execute on behalf of the Energy Council all contract-related documents, including, but not limited to, applications, payment requests, agreements (including the hiring of temporary staff), and amendments necessary to secure contract funds and to implement the approved contract projects;

ADOPTED this 18th day of December 2024, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAINED:

I certify that under the penalty of perjury that the foregoing is a full, true, and correct copy of Resolution #EC 2024 – 03

ARLISS DUNN
Clerk of the Board

Attachment A Scope of Work

The Building Performance Standards project will be implemented in three phases of three years each. In the first phase, the cities of San Francisco and Berkeley will develop and adopt BPS standards. In the second phase, outreach and implementation support services will be provided to target properties in both jurisdictions. In the third phase, the rollout will expand to all mandated properties in the two jurisdictions.

The Agency's role will be concentrated in the second phase of the project (roughly 2028-2030) and builds upon the BAMBE program. The exact timing of implementation will depend on successful completion of phase one activities. Funding for future phases is contingent upon the adoption of BPS policies. Grant funding will be used to provide Equity Priority Buildings in the City of Berkeley with the following services:

- Benchmarking and data verification
- Virtual and onsite energy assessments
- Development of zero emissions road maps
- Assistance with draft scopes of work for retrofit plans and bids
- Assistance in reviewing vendor bids and choosing contractors
- Project management for project scope installation
- Assistance in finding financial resources (including rebates) to fund energy efficiency and electrification upgrades

The total budget for this scope of work will be allocated as follows:

Multifamily technical assistance services	\$909,090
Indirect/Admin expenses	\$100,910
Total	\$1,010,000