



**Dec 6, 2018**

Hon. Mayor Sam Liccardo  
Members of City Council  
City of San Jose

**Re: City Council Agenda Item:12/11/18; 18-1648; 7.1 Amendment to Title 17 of the San José Municipal Code for the Energy and Water Building Performance Ordinance.**

Dear Mayor Liccardo and Members of the City Council:

The League of Women Voters San Jose/Santa Clara has been actively engaged in promoting the adoption and implementation of the San Jose Climate Action Plan. We are pleased to review the Transportation and Environment Committee's recommendation on the subject of Energy and Water Building Performance Ordinance.

The ordinance, through building performance metrics, is anticipated to reduce energy and water consumption and generate significant community-wide greenhouse gas reduction which are in alignment with San Jose's Climate Smart goals and the League of Women Voters San Jose/Santa Clara's adopted positions for addressing climate change. We urge adoption of the recommendations as outlined in the staff report. We are pleased to acknowledge the leadership of the Mayor, City Council and staff in the development of this work and input of many community and professional groups in accomplishing the production of this strategy.

We look forward to the forthcoming recommendations of the additional various parts and paths of Climate Smart San Jose and will stay engaged in our review of the specifics.

Thank you for considering our recommendations.

Sincerely,

Mary Collins, President League of Women Voters, San Jose/ Santa Clara

cc- Office of the City Clerk

**Kerrie Romanow, Director ESD**



December 7, 2018

Mayor Sam Liccardo and City Council  
City of San José  
200 East Santa Clara Street  
San José, CA 95113

Executive Committee

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Matthew R. Mahood  
The silicon valley organization

**Re: Energy and Water Building Performance Ordinance (Council Item 7.1) – SUPPORT**

Dear Mayor Liccardo and City Council:

On behalf of The Silicon Valley Organization (The SVO), I am writing to express support for the staff recommendation to approve an ordinance to meet energy and water building performance targets, consistent with the vision of the Climate Smart San José action plan. By way of background, The SVO is the Silicon Valley's premier business advocacy organization representing 1,400+ companies that employ nearly 300,000 workers and we represent our membership as the region's largest Chamber of Commerce.

With the passage of AB 802 during the 2015-16 legislative session, the state of California created an energy benchmarking policy for buildings larger than 50,000 square feet. AB 802 also requires that performance metrics and energy use data would be made publicly available. The City of San José has set a more aggressive target to collect data from commercial buildings and multi-family properties larger than 20,000 square feet, in order to implement a plan that meets the goals of Climate Smart San José and to encourage energy efficiency in the city's existing building stock.

Throughout this year, The SVO has been a participant in the stakeholder meetings, convened by city staff in order to receive feedback from the community. We observe that the proposed ordinance strikes a balance between meeting the city's energy efficiency and climate change objectives. The ordinance also provides flexible compliance options for small property owners to meet performance targets that are phased in over time, creates savings for tenants, and creates local jobs. The desired outcome is to provide insights into a building's performance and give an opportunity for small building owners to do their part to meet Climate Smart San José's energy targets. We hope that the city will prioritize enough resources to support small property owners to meet energy efficiency goals and to provide educational training resources to building owners, before enforcing penalties to achieve compliance.

For these reasons and more, The SVO supports the stated goals of the proposed ordinance to increase energy efficiency performance goals throughout San José. If you have any questions about The SVO's position on this issue, please contact Eddie Truong, Director of Government and Community Relations, at .

Sincerely,

Matthew R. Mahood  
President & CEO

**From:** Narita, Kimi < >

**Sent:** Monday, December 10, 2018 4:38 PM

**To:** City Clerk; Cornish, Phil; Carpenter, Ariel; Benabente, Julie; Green, Scott

**Cc:** Caroline Keicher ()

**Subject:** Group Sign On Letter in Support of Energy and Water Building Performance Ordinance (Item 18-1648 )

Dear City of San Jose staff,

Please see attached for a group sign on letter in support of the Energy and Water Building Performance Ordinance (Item 18-1648) being heard tomorrow at city council. This signers are NGOs, local organizations, local businesses, and members of the real estate community.

Thanks,  
Kimi

KIMI NARITA

Deputy Director, City Energy Project

Healthy People & Thriving Communities Program NATURAL RESOURCES DEFENSE COUNCIL



## Support Energy and Water Efficiency in San Jose

*We strongly support the proposed Energy and Water Building Performance ordinance to require buildings in San José to measure their energy and water performance via the ENERGY STAR Portfolio Manager system, to conduct energy audits, to practice building retrocommissioning, and make necessary improvements.*

### This Policy is Critical for San Jose to Meet Its Climate Goals

In February 2018, the City Council of San Jose unanimously approved *Climate Smart San Jose*, one of the first Paris-compliant climate action plans in the nation. One-third of San Jose's carbon emissions comes from buildings,<sup>1</sup> and Strategies 2.2 and 3.2 of Climate Smart San Jose call for increased energy efficiency of existing residential and commercial buildings to address their impact to the environment. In fact, one of the first actions the Council "greenlit" for city staff to work on over the next nine months was to create innovative policies and programs to spur commercial building energy efficiency initiatives.<sup>2</sup>

This proposed ordinance is a culmination of those efforts approved by Council back in February 2018. After an extensive stakeholder task force process and input from agencies, departments, and stakeholders, this policy has been thoroughly vetted and represents a thoughtful and comprehensive approach to commercial building efficiency.

### What the Proposed Ordinance Does

Through the proposed Energy and Water Building Performance ordinance, 2,500 buildings within San Jose will be required to track and report their energy and water use, a process known as "benchmarking." Public disclosure of a building's energy performance adds a level of importance and urgency that will prompt more buildings to recognize energy efficiency as a business imperative.

Buildings that are poorer performing will then have to take an additional action such as an energy audit, retrocommissioning ("re-tuning" a building), or making an efficiency investment in the building. This kind of an ordinance has already been implemented in other leadership cities such as Los Angeles, San Francisco, Boston, Seattle, and New York City.

### Help Make San Jose Climate Smart

Increasing energy and water efficiency in San Jose's large buildings will drastically reduce the city's carbon footprint, improve resiliency during drought and heat waves, and alleviate pressure on the electric grid. Further, investing in energy and water efficiency saves building owners and tenants money on their utility bills, increases the buildings' value in the real estate market, improves tenant comfort and overall productivity, generates new green jobs, and creates a more equitable San Jose.

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For more information, please contact Kimi Narita at the Natural Resources Defense Council, [knarita@nrdc.org](mailto:knarita@nrdc.org).

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<sup>1</sup> Climate Smart San Jose, page 65, available at <http://www.sanjoseca.gov/ClimateSmartSanJose>

<sup>2</sup> Memo from Mayor Liccardo and Councilmembers Jimenez, Peralez, Davis, and Arenas to City Council; Subject: Climate Smart San Jose Plan, February 23, 2018.

*Supporters of the Energy and Water Building Performance ordinance (File 18-1648) include but are not limited to:*



*San José Community Energy Advocates*





December 10, 2018

Mayor and City Council of San Jose  
200 E. Santa Clara St.  
San Jose, CA 95113

RE: Proposed Energy and Water Building Performance Ordinance, Item 18-1648

Honorable Mayor, Vice Mayor and City Council:

On behalf of the Natural Resources Defense Council (NRDC), I am writing in full support of the proposed ordinance to increase commercial building energy and water efficiency.

For the last two years NRDC, in partnership with the Institute for Market Transformation (IMT), has been proud to work in collaboration with City of San Jose staff through City Energy Project, a national initiative to create healthier and more prosperous American cities by improving the energy efficiency of buildings. The City Energy Project is funded by Bloomberg Philanthropies, Kresge Foundation, and Doris Duke Charitable Fund.

After receiving the blessing from city council in February 2018 to work on commercial building efficiency policy,<sup>1</sup> we engaged in a thoughtful and lengthy stakeholder process soliciting policy ideas and feedback throughout the community. This ordinance is a culmination of an extensive and well-coordinated process to combine the ambition and concerns of the community into a thorough and well-written policy on commercial building efficiency.

The success to date of the City Energy Project work in San Jose was a key component to the City successfully winning a spot in the highly competitive American Cities Climate Challenge, the newest and most ambitious Bloomberg Philanthropies investment in local climate action, with technical support valued at over \$2 million per city. Both NRDC and IMT are partners working on the American Cities Climate Challenge, and we will continue to support the city's efforts to thoroughly and successfully implement this building efficiency ordinance, including engagement with the private sector to educate them on the ordinance and ensure successful compliance.

We urge you to vote in favor of the Energy and Water Building Performance Ordinance.

Sincerely,

Kimi Narita  
Deputy Director, City Energy Project  
Director, Buildings and Energy, American Cities Climate Challenge

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<sup>1</sup> Memo from Mayor Liccardo and Councilmembers Jimenez, Peralez, Davis, and Arenas to City Council; Subject: Climate Smart San Jose Plan, February 23, 2018.



December 10, 2018

Honorable Members of the City Council of the City of San José  
City Hall  
200 E Santa Clara St  
San Jose, CA 95113

Dear Council Members,

We are writing to voice the support of the Institute for Market Transformation (IMT) for the adoption of the Energy and Water Building Performance Ordinance, to require buildings in San José to measure and publically share their energy and water performance via the ENERGY STAR Portfolio Manager system, and for those that are low-performing to take advantage of commonsense energy efficiency opportunities such as regular energy audits and building retuning measures to improve performance over time.

This ordinance would provide a powerful framework for San José to catalyze market demand and competition for energy-efficient buildings citywide, while working directly to help improve the energy efficiency of low-performing buildings. There is enormous potential in existing buildings in San Jose to save money, create jobs, and reduce pollution through cost-effective energy efficiency improvements, and benchmarking provides the necessary information to the market on how buildings are currently performing. A 2017 survey of building managers who complied with New York City's energy benchmarking law by the National Electrical Manufacturers Association found that 77 percent of respondents reported that energy benchmarking had led them to make changes to how they operated their facilities, and 75 percent reported that they had made capital investments in new equipment.

San José would join 25 cities, one county, and three states with similar benchmarking and transparency laws across the United States, with nearly half of these jurisdictions also requiring some type of action, such as periodic audits or retuning, to improve energy efficiency. All of these programs make use of the free Portfolio Manager tool developed by the U.S. Environmental Protection Agency to assess how energy efficient buildings are compared to buildings of similar sizes and uses. Because the tool is free, benchmarking does not



represent a significant additional cost for building owners. It does, however, unlock critical performance information. In Chicago, there has been a \$12.7 million reduction in energy bills for the buildings who have consistently benchmarked over the past four years. A national study by ENERGY STAR noted that for the 35,000 buildings that used Portfolio Manager to benchmark energy performance from 2008 to 2011, average energy use declined by 7 percent.

San José's ordinance is structured to provide significant flexibility and to roll out over many years to give building owners and managers ample time to integrate benchmarking and any required actions into their regular building management practice. It also is designed to allow them to choose the options for improvement that work best for their building. Improvements driven by the ordinance will result in new jobs for local construction firms, engineers, auditors, facilities managers and sustainability consultants. This ordinance will also position San José to attract new businesses and succeed in the global marketplace. A large proportion of current building stock across the U.S. will be around for decades into the future, and increasingly businesses and families are choosing to locate in cities that are leaders on sustainability, efficiency, and clean technology.

We hope you will support the Energy and Water Building Performance Ordinance. Many thanks for your leadership and attention to this important opportunity to move San José forward.

Respectfully submitted,

**Cliff Majersik**

Executive Director

Institute for Market Transformation

Date: 12/10/2018

## *San José Community Energy Advocates*

December 10, 2018

To: Honorable City of San José Mayor and Councilmembers

From: San Jose Community Energy Advocates

Subject: Support: Energy & Water Building Ordinance – 12.11. 2018 City Council Meeting Item 7.1

Honorable Mayor Sam Liccardo and City Councilmembers,

On behalf of San Jose Community Energy Advocates, we are in full support of the proposed ordinance to increase energy efficiency for buildings over 20,000 square feet, through a transparent, open-data benchmarking tool. We also support the direction of Mayor Liccardo and Councilmembers Jimenez, Peralez, and Diep in their Dec. 7, 2018 memorandum regarding the ordinance. San Jose Community Energy Advocates is a community group which together with partner organizations, successfully advocated for the San Jose Clean Energy program. We are committed to bringing affordable renewable energy to our community and reducing greenhouse gas emissions.

As noted by Mayor Liccardo and Councilmembers Jimenez, Peralez, and Diep in their Dec. 7, 2018 memorandum, buildings are the second largest source of emissions in the City, accounting for 33 percent of total emissions. This ordinance is an important way to engage new stakeholders for reaching our energy efficiency goals.

We support the proposed ordinance to require buildings in San Jose to measure their energy performance via the ENERGY STAR Portfolio Manager system. We also believe that it is critical to share large buildings' energy use with the public, so that all buildings and occupants easily see the relative energy performance of buildings in the San Jose market. Public information will create a new level of accountability for energy performance across our portfolio.

Through this ordinance, 2,500 buildings within San Jose will be required to openly record, track, and identify their energy use. Although internal sharing of benchmarking data is helpful and important, public disclosure of a building's energy performance adds a level of urgency and importance that will prompt more buildings to recognize energy efficiency as a business imperative. Energy use is a primary driver of building operating costs; sharing energy data publicly will encourage building operators to consider programs, processes and investments that make good economic sense, but that might not otherwise receive the level of attention that they deserve.

This ordinance is an excellent next step for the City of San Jose to realize its Climate Smart strategy – it will help San Jose meet its greenhouse gas emission reduction targets of the international Paris Agreement in a smart, data-driven way. We thank you, Mayor and City Councilmembers, for your continued environmental leadership. We also thank City staff for coordinating this effort in a thoughtful manner, connecting residents, environmentalists, utility companies, and building owners together to help craft the proposed ordinance. San Jose Community Energy Advocates strongly urge the City Council to approve this ordinance.

Sincerely,

Ruth Merino

Chair - San José Community Energy Advocates  
[sanjosecommunityenergy.org](http://sanjosecommunityenergy.org)

cc Kerri Romanow



December 6, 2018

Re: Item 18-1648 on December 11 Council Agenda

Honorable Mayor, Vice Mayor and City Council:

On behalf of SPUR, I am writing in full support of the proposed ordinance to increase commercial building energy efficiency through a transparent, open-data benchmarking tool.

**We strongly support the proposed ordinance to require buildings in San Jose to measure their energy performance via the ENERGY STAR Portfolio Manager system, to conduct audits, and to practice retrocommissioning.** We also believe that it is critical to share large buildings' energy use with the public, so that all buildings and occupants easily see the relative energy performance of buildings in the San Jose market. Public information will create a new level of accountability for energy performance across our portfolio. SPUR strongly believes that increased transparency, visibility, and accountability will strengthen the community's advancement to reducing energy use and address climate change.

Through this ordinance 2500 buildings within San Jose will be required to openly record, track, and identify their energy use. Although internal sharing of benchmarking data is helpful and important, public disclosure of a building's energy performance adds a level of importance and urgency that will prompt more buildings to recognize energy efficiency as a business imperative. **Energy use is a primary driver of building operating costs, and sharing energy data publicly will encourage building operators to consider programs, processes and investments that make good economic sense, but that might not otherwise receive the level of attention that they deserve.**

This ordinance is an excellent next step for the City of San Jose to realize their Climate Smart strategy, which will help San Jose achieve a low carbon footprint and reduce per-capita water use in a smart, data-driven way. We applaud the Staff leadership for coordinating this effort in a thoughtful manner, connecting residents, environmentalists, utility companies, and building owners together to help craft the proposed ordinance.

SPUR has been deeply involved in the process of crafting this ordinance and had a representative serve on the committee. We believe this proposal upholds many of the principles laid out in our research paper, [Fossil Free Bay Area](#); increasing the energy performance of new buildings and establishing high-efficiency standards is a key strategy to reducing our carbon footprint and reducing fossil fuel use.

The City of San Jose has become a recognized leader for addressing climate change and reducing its carbon footprint and this latest effort is another step to becoming a more resilient city. **SPUR strongly urges the Council to support this ordinance.**

Sincerely,

Teresa Alvarado  
San Jose Director

Oakland, CA  
San Jose, CA  
Los Angeles, CA  
Seattle, WA  
Austin, TX  
Atlanta, GA  
Washington, DC  
Richmond, VA  
Vancouver, BC  
Victoria, BC  
Calgary, AB  
Toronto, ON  
London, UK  
Oxford, UK  
Sydney, AU



**DATE:**

December 11, 2018

**CLIENT:**

Mayor and City Council of San Jose  
200 E. Santa Clara St.  
San Jose, CA 95113

**ATTENTION:**

Mayor Liccardo, Vice Mayor and the City Council

**RE:** Proposed Energy and Water Building Performance Ordinance, Item 18-1648

I am writing to support the adoption of the Energy and Water Building Performance Ordinance, to require buildings in San José to annually measure and publicly share their energy and water performance, and for those that are low-performing to take advantage of commonsense energy efficiency opportunities such as regular energy audits and building retuning measures to improve performance over time. In view of the growing effects, awareness and concern over climate change, I believe that it is critical for organizations to show leadership and move aggressively to try to mitigate these changes. If you study where the most critical pinch points are, minimizing building energy and water use plays an important role in developing a more sustainable future.

This ordinance would provide a framework for San José to catalyze market demand and competition for energy-efficient buildings citywide, while working directly to help improve the energy efficiency of low-performing buildings: the proverbial low hanging fruit that will give us the best results for the lowest cost. Annual reporting is a key feature of this policy to ensure that data is kept up to date and relevant. I believe that there is enormous potential in existing buildings in San Jose to save money, create jobs, and reduce pollution through cost effective energy efficiency improvements, and benchmarking provides the necessary information to the market on how buildings are currently performing. As we in the Silicon Valley know, providing the public with clear and accurate data is hugely powerful in creating lasting change.

San José's ordinance is structured to provide significant flexibility and time to give building owners and managers ample time to integrate benchmarking and any required actions into their regular building management practice. It also is designed to allow them to choose the options for improvement that work best for their building. Improvements driven by the ordinance will result in new jobs for local construction firms, engineers, auditors, facilities managers and sustainability consultants. This ordinance will also position San José to attract new businesses and succeed in the global marketplace. A large proportion of current building

stock across the U.S. will be around for decades into the future, and increasingly businesses and families are choosing to locate in cities that are leaders on sustainability, efficiency, and clean technology.

I hope you will support the Energy and Water Building Performance Ordinance. As a designer of many of the greenest and most energy efficient buildings in the United States, and a green building advisor for the Federal Government and several regional organizations, I want to thank the City for your leadership in continuing to move San José forward. I am proud to be a part of this city and am looking forward to a future where the country and the world looks to my home city: the City of San Jose, as the model of the combination of vision, leadership, policies, strategies and community support that came together to be a leader in the fight against climate change.

Sincerely,

David Kaneda, PE, LEED Fellow, FAIA  
Principal and Thought Leader  
INTEGRAL GROUP INC.