Rev. 1/18/21

# **Energize Denver Task Force**

# Charter and Operating Procedures

Transforming our Built Environment with Jobs, Health, Equity, and Achievable Climate Solutions

# Background

Commercial and multifamily buildings are responsible for 48% of the greenhouse gas emissions in Denver today. In 2016 the original "Energize Denver Task Force" recommended Benchmarking and a Building Performance Policy. The City decided to start with only a Benchmarking policy. Benchmarking has seen over 90% compliance every year for four years, and yet Denver is not on track to reach its climate goals in buildings (see our <u>Building Performance Dashboard</u>).

The 2020 <u>Climate Action Task Force</u> recommended bringing Denver's 17,000 existing commercial and multifamily buildings to Net Zero Energy by 2040 through a building performance policy that includes energy efficiency requirements, electrification requirements starting around 2025 (as space or water heating systems are replaced), with all buildings required to be electric by 2040, and all powered by 100% renewable electricity. The Task Force also recommended a sales tax that has now been approved by voters to help our community reach its climate goals equitably, with up to \$40 million in funding each year for the <u>Climate Protection Fund</u>.

## Charge

The Energize Denver Task Force will help the City design a building performance policy for existing buildings that:

- 1) Improves Health and Equity: Improve indoor air quality, comfort and health outcomes. Lower energy costs for businesses and improving energy equity. Ensure under resourced communities can thrive under the policy.
- 2) Creates Jobs: Create clean energy jobs and driving economic recovery from COVID.
- 3) **Drives Climate Solutions in Buildings**: Buildings are responsible for over half of the greenhouse gas emissions in Denver today. The task force will design a policy that will require existing buildings to achieve Net Zero Energy by 2040. The task force will help the City design a regulatory path that enables all buildings achieve this goal. Net Zero Energy means highly efficient, all electric, grid flexible, and powered by 100% renewable electricity.

# **Expected Outcomes**

The Task Force will produce a report with a set of policy recommendations for transitioning existing buildings to Net Zero Energy by 2040. City staff will translate these recommendations into an ordinance as well as rules and regulations and present it to City Council for consideration and adoption. As an example, see the <u>recommendations of Denver's Green Roof Review Task Force and the resulting Green Buildings Ordinance and Rules and Regulations</u>.

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#### Term and Timeline

The Task Force will meet more or less monthly starting January 2021. It is expected to meet through September; its report will be completed by October 2021.

## Leading with Equity

The City and County of Denver is committed to advancing equity in everything that we do. In this case, we will reduce greenhouse gas emissions from buildings while advancing equity and racial justice. The climate crisis has been described as a threat multiplier: it will make our existing problems worse, including racial, social, economic, and environmental injustice. Communities that are already experiencing high heat due to the urban heat island effect also have insufficient access to cooling, with 50% of Denver homes having no air conditioning. They will be hit harder by heat waves. Denver residents in under resourced communities suffer more from poor air quality today. Current research is showing a connection between higher death rates from COVID-19 and increased exposure to air pollution. Under-resourced communities are also the least able to afford the investments to improve buildings. In this process, the City will ensure that under-resourced communities and communities of color hare involved in this discussion and are prioritized in the Task Force's development of policy, investments, services, and programs to transition buildings to net zero energy.

### **Guiding Principles**

The Task Force will develop recommendations that:

- Bring buildings in Denver to Net Zero Energy by 2040 to solve climate change for our children's future.
- Focus on carbon and consider the nuanced interplay between electrification, energy efficiency, and renewable energy in achieving net zero energy.
- Focus on people and real human lives, and on improving overall well-being.
- Get our community excited about the solutions and savings, including helping real estate professionals share the value with customers.
- Account for disparate climate impacts and historic racial inequities in Denver. Accelerate
  positive impacts to low-income and communities of color from a clean energy transition. Ensure
  those communities understand the value of clean energy.
- Provide for multiple pathways, rather than one-size-fits-all. Prove the flexibility and nuance to achieve our ambitious goals equitably and realistically.
- Ensure policies are achievable, effective, and sustainable.
- Seek cost-effective strategies for all stakeholders, in terms of both capital costs and operations costs or utility costs. Focus on cost-effective strategies first. Consider the cost of inaction.
- Seek 'eager compliance' among building owners and managers by ensuring solutions are achievable, well supported, and rolled out gradually and strategically. Consider flexible compliance options that are both performance-based and prescriptive.
- Recommend incentives with financing to ensure all Denver buildings, and especially low-income communities, benefit from and can comply with the policy.
- Allow for flexibility for changing circumstances if new technology is developed (or becomes more cost effective).
- Allow for flexibility to evaluate and mitigate unintended affordability consequences, such as increased gas costs as people start to go all-electric.
- Seek mutually supportive co-benefits (e.g., lowered HVAC costs, improved air quality).

- Benefit local families, local workers from areas where the work is being done, and Denver's
  economy by providing for robust job training/ workforce transition, labor standards, and good,
  livable jobs that help alleviate the economic devastation of COVID-19.
- Ensure sufficient numbers of workers are trained to do the work and operate net zero energy buildings.
- Include youth perspective and needs in policy recommendations.
- Ensure Denver's policy is integrated with statewide approaches.
- Seek to attract new businesses by making Denver one of the greenest cities in the country.
- Don't reinvent the wheel; learn from what is working elsewhere.

### Task Force Meeting Format

- 1. Virtual Meetings. Task Force meetings will be conducted virtually by Zoom unless/until the Denver Dept. Of Public Health & Environment determines it is safe to meet in person. Meeting information and materials will be posted on the City web page <a href="https://www.denvergov.org/Government/Departments/Climate-Action-Sustainability-Resiliency/Initiatives/High-Performance-Buildings-and-Homes/Energize-Denver-Task-Force">https://www.denvergov.org/Government/Departments/Climate-Action-Sustainability-Resiliency/Initiatives/High-Performance-Buildings-and-Homes/Energize-Denver-Task-Force</a>
- 2. Live Streaming. Task Force meetings will be live-streamed; please visit the City's website above for more information. Formal public comment that enables the task force to hear and incorporate ideas from the broader community into their recommendations will be robustly sought by the task force midway and near the end of their work. Check the website (or join the newsletter list there) to be notified about these opportunities when they become available.
- 3. **Transparency.** The Task Force will formulate policy ideas and make decisions on proposed recommendations at Task Force meetings. Members may informally engage each other on an individual basis to build relationships, discuss their interests, and generate ideas, however, group discussions by email are discouraged; any information meant to be shared with the group should be sent to City staff or the facilitator for moderation.
- 4. Meetings will be held every 4-6 weeks on a Wednesday or Thursday for three hours.

#### Task Force Structure

The Task Force includes the following, with specific roles and expectations defined further below.

#### Membership

For the 2021 Energize Denver Task Force, the City selected stakeholders from across the real estate sector, energy sectors, labor, workforce development, affordable housing, small business, resident advocates, solar, energy efficiency, and environmental advocates. A full list of members is provided at the end of this Charter.

#### City Staff

Katrina Managan, Buildings Team Lead, will lead the Energize Denver Task Force process for the City. Other staff who will help support the Task Force are:

- Amber Wood, Energy Program Administrator
- Jan Keleher, Building Electrification Lead
- Maria Thompson, Buildings Program Administrator
- Jarrett Vigil, Buildings Intern

#### Independent Facilitator

The Task Force will be facilitated by Ryan Golten of the Consensus Building Institute (CBI), who will be an advocate for members' procedural interests while remaining impartial to the substance of the issues under discussion.

#### Agenda Design Team

To aid in the efficient and productive use of Committee members' time, the City may request volunteers to work with City Staff and the CBI facilitator between meetings to design focused agendas and frame or develop meeting topics. This small group will have no substantive decision-making authority. It will be focused on designing a collaborative, strategic and inclusive process.

#### Workgroups

The City envisions the following workgroups will be needed to help digest Task Force discussions and formulate policy ideas and options for Task Force consideration.

- Equity Workgroup: The group will help City staff and equity consultant Dr. Nita Mosby Tyler prepare for the 2<sup>nd</sup> Task Force meeting. The group will also help the Task Force finalize equity criteria that all task force decisions must meet.
- Workforce Workgroup: The group will help shape and develop answers to all questions related to workforce to ensure the Task Force meets their charge of creating clean energy jobs and driving economic recovery from COVID.
- Climate Solutions Workgroup: The group will help City staff shape and develop policy options to bring to the Task Force that will get all existing buildings to net zero energy by 2040. City staff will bring the group concepts for further refinement based on their own work and conversations with the High Performance Buildings and Homes Committee. This group will also be supported through resources Denver receives as a city participating in the American Cities Climate Challenge from the New Buildings Institute and the Institute for Market Transformation.

As of January 11, the following members, representing a cross-section of relevant sectors, volunteered to participate in the workgroups:

Agenda Design Team	Equity Work Group	Work Force Work Group	Climate Solutions Work
(process only; help CBI	(discuss/frame ideas for	(discuss/frame ideas for	Group (discuss/frame
and City staff design	Task Force	Task Force consideration	ideas for Task Force
agendas/frame topics,	consideration, including	throughout the process)	consideration; likely to
starting Feb/March)	Feb. Equity workshop)		start in March)
Jonathan Cappelli	Jennifer Gremmert	Stephen Shepard	Sergio Cordova
Stephen Shephard	Jonathan Cappelli	Jennie Gonzales	Jonathan Cappelli
	Ariana Gonzalez	Eddie Bustamante	Jennie Gonzales
	Monique M. Dyers	Sergio Cordova	Christine Brinker
	Aaron Martinez	Mike Kruger	Steve Morgan
	Jenny Wilford	Jenny Wilford	Ariana Gonzalez
	Sergio Cordova	Frank Arellano	Aaron Martinez
	Angie Fletcher		Celeste Cizik
			Mike Kruger
			Scott Prestidge
_			Amie Mayhew

# **Roles and Expectations**

#### Task Force members are expected to:

- Attend all meetings or notify City staff if they cannot attend a particular meeting (there will not be alternates or substitutes, in order to build relationships between Task Force members and in light of the pace and complexity of Task Force topics).
- Prepare for meetings by reading materials, considering issues, reviewing the agenda, and engaging with their constituents or networks as needed.
- Try to remain open-minded and avoid judging ideas.
- Strive to listen actively, bridge gaps in understanding, and seek resolution of differences.
- Help create an environment that is safe, respectful, and constructive for participants.
- Stay on track with the agenda, working on the issues at hand.
- Avoid repetition and revisiting resolved issues.
- Provide clear and specific recommendations that are connected to well-articulated objectives.
- Seek evidence-based recommendations while recognizing decisions will need to be made in the face of uncertainty and incomplete data.
- Regularly communicate with constituents regarding issues and recommendations being
  considered by the Task Force and bring relevant input or concerns to meetings (note that only
  official Task Force members will be able to participate in meetings themselves).

#### City staff will:

- Work with the facilitator and Agenda Design Team to develop focused agendas.
- Circulate materials at least one week before Task Force meetings (earlier when possible), so members can review them with their constituents and receive input prior to meetings.
- Provide for all logistics, including virtual meeting needs, scheduling, and direct communications with the Task Force.
- Create a website for information, notice of dates and events, and posting of documents
- Provide the necessary in-house and consulting technical assistance to aid the Task Force in their work to help ensure a well-informed, technically credible, operationally feasible set of final recommendations.
- Coordinate effectively among City staff, managers and elected officials.
- To the extent possible, provide additional information that the Task Force may request throughout the course of the process to advance its discussions.
- Prepare draft written products based on Task Force discussion for Task Force review.
- In consultation with the Task Force, provide opportunities for broader public input during the process and before finalizing Task Force recommendations.
- Develop an ordinance and/or regulatory language based on Task Force recommendations in a timely fashion for consideration by City Council.

#### The CBI Facilitator will:

- Structure and conduct inclusive, productive and engaged Task Force meetings.
- Ensure participation ground rules are met.
- Work with City staff to develop meeting agendas, prepare draft and final meeting summaries, and generate draft written products as needed.
- Help participants resolve their differences on the issues raised.
- Be accountable to the entire Task Force and work in a non-partisan and impartial manner.

# Developing Recommendations through a Consensus Process Defining Consensus

The Task Force will strive to make consensus decisions that *all members can accept or live with,* or at the very least not oppose. Reaching this outcome requires all group members to educate each other about important needs and concerns and develop a recommendation, or set of options, that address and both individual and group interests to the greatest extent possible. This interest-based approach will be followed by the Task Force on each decision to be made, prior to testing for consensus. The Task Force recognizes that outcomes with full consensus support are likely to carry significant weight with City leadership.

In the instance that only one Task Force member opposes a recommendation, the Task Force may reach 'consensus minus one', but shall not do so until the following meeting and in the interim will further explore ways to satisfy the relevant interests and concerns. Concerns will be noted in the meeting summary. If there is strong majority support for an outcome but more than one Task Force member is opposed, the Task Force may, alternatively, reach its decision by majority vote in order to reach closure. In that case, the minority perspective will be noted in the final Task Force report.

Members are discouraged from blocking or withholding consensus unless they have serious reservations with the proposed approach. If members disagree, they should make every effort to offer an alternative for consideration that will be satisfactory to all participants. Also, members may 'abstain' or 'stand aside' and not offer their consent to avoid blocking an agreement while also not lending their endorsement. Absence is the equivalent of abstaining.

# Resources Materials to Inform and/or Support Task Force Decision Making

- Climate Action Task Force Report
- Green Roof Review Task Force Recommendations and Green Building Ordinance and Rules and Regs – as an example of how task force recommendations can shape a policy.
- NZE New Buildings Implementation Plan, including NZE Denver definitions available soon.
- Denver Renewable Electricity Implementation Plan
- High Performance Buildings and Homes Committee CASR's standing technical advisory group advising us on all buildings work can be a technical resource for the Task Force.
- American Cities Climate Challenge (ACCC) Equity Advisory Committee participation for developing equity principles.
- Dr. Nita Mosby-Tyler equity trainer and resource for the task force
- Social Equity Index tool based on Greenlink Equity Map, with additional Denver indicators.
- Inclusive Economics Jobs analysis to be shaped by the Workforce Work Group.
- ACEEE report on other cities, research on other cities and participation in working group with other ACCC cities.
- The New Leaders of the Pack: ACEEE's Fourth National Review of Exemplary Energy Efficiency Programs
- Strategic Existing Building Electrification Implementation Plan in progress.
  - Building Heating Typologies
  - Cost of conversion
  - Grid analysis

- Energy Efficiency Packages and Cost Study in progress.
- Existing Building Max Tech analysis to help set performance targets by building type.
- Survey of benchmarked building owners to inform policy design and building performance hub design
- Building Performance Hub research Research into other cities approaches, and ACCC study on best approaches.
- Survey of Denver benchmarking contacts and building managers to inform building performance hub design and policy design in progress

## Task Force Members

Many members have expertise and interest across multiple areas and sectors. But to help remember who is who, we have grouped participants according to their primary role.

Building	1. Amie Mayhew, Colorado Hotel & Lodging Association	
Owners/Managers	2. Frank Arellano, LBA Realty	
	3. Jon Buerge, Urban Villages	
	4. Kathie Barstnar, NAIOP Colorado	
	5. Lori Pace, Denver Metro Association of Realtors	
	6. Peter Muccio, Apartment Association of Metro Denver	
	7. Stephen Shepard, Denver Metro BOMA	
Utility/Oil and Gas	8. Tyler Smith, Xcel Energy	
	9. Sam Knaizer, bp, bpx energy	
	10. Scott Prestidge, Colorado Oil and Gas Association	
Residents/Tenants/Non-	11. Aaron Martinez, Urban Land Conservancy	
Profit Representatives	12. Angela Fletcher, Denver Housing Authority	
	13. Jennifer Gremmert, Energy Outreach Colorado	
	14. Jonathan Cappelli, Neighborhood Development Collaborative	
Labor/Workforce Training	15. Eddie Bustamante, LiUNA! Local 720	
	16. Jennie Gonzales, IBEW 68	
	17. Sergio Cordova, Pipefitters Local Union No. 208	
Environment/Clean	18. Ariana Gonzalez, Natural Resources Defense Council	
Energy	19. Celeste Cizik, Group 14 Engineering	
	20. Christine Brinker, Southwest Energy Efficiency Project (SWEEP)	
	21. Jenny Wilford, Colorado Sierra Club	
	22. Mike Kruger, Colorado Solar and Storage Association (COSSA)	
	23. Monique Dyers, Ensight Energy Consulting	
	24. Steve Morgan, Bolder Energy Engineers, Rocky Mountain	
	Association of Energy Engineers	
City Council	25. Jolon Clark, Denver City Council District 7	

# Draft Work Plan (subject to change)

Time	Mtg#	Purpose:	Outcome:
January 7 <sup>th</sup> , 2021	1	<ul> <li>Review purpose and scope of TF</li> <li>Establish ground rules</li> <li>Introduce members</li> <li>Scope overview</li> <li>How will the task force do its work?</li> </ul>	<ul> <li>Members have a common base of knowledge and a shared understanding of the task</li> <li>Agreement to work cooperatively toward a common goal</li> </ul>
February 18, 2021	2	<ul> <li>Equity Workshop</li> <li>Decide what criteria must every decision meet to be equitable.</li> </ul>	<ul> <li>Shared draft set of equity criteria that the equity work group can refine and bring to the group to finalize.</li> </ul>
March	3	<ul> <li>Review other cities approaches and Denver resource that help answer questions before the task force.</li> <li>Shape the process and additional research needed to develop outcomes.</li> </ul>	<ul> <li>Process agreed upon for answering all questions before the task force.</li> </ul>
April	4	<ul> <li>Highly Efficient – determine how the City should set equitable energy efficiency performance and prescriptive pathways.</li> <li>Determine workforce, incentives and technical supports needed.</li> </ul>	Draft efficiency recommendations.
May	5	<ul> <li>100% renewable - determine how the City should set equitable solar requirements.</li> <li>Determine workforce, incentives and technical supports needed.</li> </ul>	Draft renewables recommendations.
June	6	<ul> <li>All-electric policy options discussed.</li> <li>Determine workforce, incentives and technical supports needed.</li> </ul>	Begin to develop     electrification     recommendations.
July	7	<ul> <li>Finalize equitable draft electrification policy and supports recommendations.</li> <li>Determine implications for Highly Efficient and 100% Renewable goals.</li> </ul>	Draft electrification recommendations.     Plan for work ahead on efficiency and 100% renewables.
August (or Sept.)	8	<ul> <li>How it all comes together</li> <li>Decide if and how trading should be allowed between the above requirements, and what alternative compliance pathways or exemptions should be considered.</li> </ul>	Final recommendations