

Denver Strategic Building Electrification Implementation Plan
Building Manager Roundtable Agenda
Thursday, April 8th, 2 pm - 3:30 pm

Virtual Meeting Room:

<https://zoom.us/j/96751583809?pwd=YkE2WUlxTE5HeXBlakE1WlQyTm1hZz09>

PROPERTY MANAGER GREEN JOBS ROUNDTABLE, 4-8-2021

TODAY'S INTENT AND OUTCOMES

- Provide an overview of Denver's green jobs strategy.
- Introduce the Energize Denver Task Force mission, workforce workgroup, and the resulting Building Performance Policy.
- Understand contractors' baseline knowledge about green jobs and building electrification.
- Understand the current state of workforce skills, gaps, and training pathways.
- Discuss how Denver can support contractors to include electrification into business models.
- Better understand what a Just Transition might look like.

TODAY'S OUTCOMES

- Initiate the discovery phase of Denver's workforce development.
 - Understand the current state of the industry and workforce needs.
 - Learn how Denver can support businesses thrive in Denver's low carbon future, while creating high-quality jobs.
 - Understand how to make these career pathways accessible for women and BIPOC.

AGENDA

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|----------------|---|
| 2:00 PM | Welcome and Introductions
Project team and participants will introduce themselves. |
| 2:10 PM | Agenda and Ground Rules
We will provide information useful for today's conversation. |
| 2:15 PM | Introduce Denver's Green Jobs Strategy
We will provide background information on Denver's climate goals, equity goals, Energize Denver and Workforce Workgroup and Green jobs strategy. |
| 2:25 PM | Current State of Workforce Overview and Discussion
We will establish a baseline understanding and discuss the current state of workforce. |
| 3:20 PM | Overview of Themes Developed
We will share themes that came up regarding the current state of workforce and will determine we captured participants thoughts. |

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3:30 PM Adjourn

We will share next steps and adjourn.

MEETING NOTES

Attendees:

- Wayne Self, CBRE
- Bo Finch, Boutique Apartments
- Dean Stanberry, Int'l Facilities Management Association; US GSA
- Frank Arellano, Realty Office
- Stephen Shepard, Denver Metro BOMA
- Sergio Cordova, Pipefitters Local 208
- Alisha Percy, Watermark Residential
- Patrick Gorham, Trick Group
- Roger, Hyatt Hotels CO
- Donald Metcalf,
- Mike CBRE
- Brooke Pike, EOC
- Jan Keleher, CCD
- Jarrett Vigil, CCD
- Jodi Pincus, XXX Economics
- Diane & Rachel from Lotus

Theme One: What do you know about Denver's low-carbon future and specific programs, like building electrification?

Understand it is coming and that they have time to adapt.

Most building managers will have new owners in the next 5 years, need help with new transition.

Most building managers work with owners out of state or out of the country and they have not 'bought in' to sustainability.

Worried this will deter building owners to invest in other cities.

- Know about 80x50 CAP, need to train people on how to operate buildings efficiently and effectively (especially facility managers)
- Facing potential workforce crisis, not enough young people entering trade fields
- Many building owners in Denver don't expect to be owners of their buildings by the time that the new codes and mandates will take effect, don't see it as their problem
- Need a way to make electrification attractive and a proactive measure, not something that Denver needs to hold owners' feet to the fire over
- Assets will not turn over quickly enough to hit 2030 goals
- "green" is an attractive label to put on buildings, but that doesn't always translate to action or effective management, incentivize electrification to get owners to comply
- Retrofitting costs don't have a high ROI, building owners won't go for it at the moment

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- Will require both the carrot and the stick, incentivize early adopters and then use the stick for those lagging behind. Require updates before a building can be sold?
- Downtown building owners largely don't live in Denver or even CO

Theme Two: What is the difference between the work that they are doing now and the work that will be required of them during Denver's low-carbon transition?

Currently do not have the workforce trained in sustainability, this may need to change.

They will need to 'sell' sustainability to building occupants when it could also mean more money for them.

Cost of training is a challenge.

Will need to incentivize staff to invest in education and sustainability.

Will need to have a plan for residential buildings and occupants.

- What are the contractors selling? Are they selling products that comply with the new codes?
- Are the right products being manufactured? Is there a cost parity? It will be tough to get adoption without cost parity and comparable operating costs
- Education and training are key to helping get ahead of the curve; no one is training newcomers/kids out of college LEED standards
- Two-fold: make manufacturers create products that achieve cost parity so the products are accessible; train technicians and employees in LEED standards and sustainable operations so the workforce is ready to install these widespread.
- It takes a person newly in a trade job about 5 years to become fully ready for the workforce (training, apprenticeships, etc.)
- LEED certifications don't train how to sustainably operate the building, just how to certify a building under LEED certifications
- Real estate is the last industry to "go digital", those who work in facilities often don't understand how to use technology and how to operate a building sustainably without additional education and training
- MFU/Residential: these are people's homes, what is the process for converting rented units? Do they need to be vacant? How does that impact a building owner's income? Could become a double hit to income if electrification is funded by building owner
- Are there enough people in the workforce to meet goals? What is the cost of the extra training for current tradespeople?
- CBRE offers scholarships for additional training, but these courses are SUPER expensive, often are not reimbursed until they pass the course; won't be reimbursed for failing
- Need to incorporate the principles of sustainability in current education programs so that those coming out of associate's programs and other trade schools today are trained to think sustainably from the get-go

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- Often, clients for companies like CBRE and JLL will not pay for CBRE's employees' training (thought is that they cannot recoup that cost), they want fully trained people doing the job
- Need to get workforce development message to the top of the companies, emphasize the importance of additional education and training for employees.
- Good question brought up: Where should the owner of a 110-year-old building, that is recognized as "historical", and with value in that unique respect, seek assistance in design and retrofitting the current mechanical and plumbing systems over to electric, without modifying the actual structure, or significantly affecting the daily business as a working hotel? Is there a technical workforce structural and mechanical engineer group started?

Theme Three: How can businesses adapt to be part of and benefit from Denver's low-carbon transition?

They need a plan or roadmap to help bring staff and building occupants and owners along.

Making this transition attractive to residents and building owners will be necessary. And this should not be put on building managers.

Enforcing and mandating codes will require buy in from all involved.

Need to train from maintenance all the way to building managers.

- List of codes that will be required for building asset operators/managers, help them prepare 6-year capital plans, help them present an ROI and what the penalty will be if not met
- Xcel could do carbon offsets rather than rebates to help sell to owners
- Denver can continue to work with building operators to make sure that Denver is doing all they can to make this transition feasible
- Think along the line of a 20-year plan so that building owners/managers can catch up
- How do you translate data that is important to building operators meaningful to building owners? Ex: what does it mean that the boiler has 3 years left? What is the cost of inaction vs. replacing it now?
- Double edged sword: trying to make a building more sustainable which takes from the owner's pocket. Ownership groups largely won't participate unless mandated. Can we put this cost on a buyer, who has the capital to invest in a building dealing with delinquency?
- Hard for building maintenance workers who are not currently trained in how to service new systems, this could become an additional cost for building managers who will need to contract out maintenance services that could previously have been done in-house
- Need to enforce and mandate the codes and upgrades while making this less scary for building owners and potential buyers-messaging will be critical

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- Make this attractive for outside investors, don't make it more attractive to invest outside of Denver because it is cheaper and easier
- How will this impact potential investors? Might impact who invests and might attract larger outside investors who have enough capital to invest in Denver

Theme Four: What are the most effective training pathways?

A more feasible and affordable licensing program would help building managers and techs.

Starting training early (high school) will help the transition of people exiting the workforce.

Finding areas with large workforce opportunity (like the military) could help.

Hands on training is the most effective.

- Education at the top is a good place to start, need to make education attainable and affordable
- Licensing program for building operators? Sustainable operators? Denver requires a Stationary Engineer license for operating boilers currently. Could require a Sustainable Operator license to operate buildings.
- BOMA and IFMA have programs, need a licensing proposition
- Recruit out of high schools and military; 250,000 exiting military annually, this is a largely untapped workforce; DoD can pay for their training
- Work with Dept of Economic Development & Opportunity, they have funding for training programs (are working with CCD on developing Green Jobs Plan)
- Need to work with developers to promote this and work with building owners and prepare building owners
- Denver: reach out to ownership and local managers to communicate what's coming down the pipeline; reach out to schools themselves to co-develop programs in schools or promote alternatives to college and what workforce Denver is in need of, why it is a benefit to them
- The training might be already out there, the tough part is getting people into the programs

Theme Five: How can we help support a Just Transition?

Learn from other cities, but also do what is best for Denver.

Representation matters when it comes to recruitment and hiring.

- Needs to be just for the world as well as the building owners/managers
- Owners/Buyers need to consider where buildings need to be in the future, this is not the case at the moment. Often own the building for a short period of time before dumping it and leaving the upcoming upgrades/codes for the new owner to deal with
- Stop looking to what CA is doing, what they do is leading to a mass exodus that is unsustainable. Many environmentally progressive places (CA, Seattle, Portland) are seen as "business unfriendly"

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- How can we get POC in the industry into schools to get more diversity in the workforce and training programs?
- STEM schools are critical and may already have the diversity needed/desired
- No training programs at the moment that addresses expansion and promotion of diversity