OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 11th FLOOR • HONOLULU, HAWAI'I 96813 PHONE: (808) 768-2277 • EMAIL: resilientoahu@honolulu.gov • INTERNET: www.resilientoahu.org



M ATTHEW GONSER, AICP, CFM EXECUTIVE DIRECTOR & CHIEF RESILIENCE OFFICER

RICK BLANGIARDI MAYOR

June 9, 2022

The Honorable Radiant Cordero, Chair and Members Transportation, Sustainability and Health Committee Honolulu City Council 520 South King Street, Room 202 Honolulu, Hawai'i, 96813

Dear Chair Cordero and Councilmembers:

SUBJECT: Bill 22 (2022), Relating to Better Building Benchmarking

The Office of Climate Change, Sustainability and Resiliency (CCSR) strongly supports Bill 22 (2022) to create a Better Building Benchmarking Program and establish an energy and water usage reporting requirement for large buildings within the City and County of Honolulu ("City"). CCSR is in strong support of Councilmember Cordero's Proposed CD1 – RC2 to Bill 22 (2022), which offers sensible amendments to clarify the intent of the program and its implementation.

Benchmarking is a proven market mechanism with over a decade's worth of success in more than 40 jurisdictions, empowering property owners, building managers, and tenants with necessary information to cut costs and utility waste and improve operations. The simple act of reporting the energy and water usage of O'ahu's large buildings is foundational towards achieving the City's climate action and sustainability goals. Benchmarking and transparency allows for more informed decision-making at the City on where to equitably and strategically invest critical resources to support businesses and residents in improving the efficiency and resiliency of their buildings.

CCSR supports the amendments in Councilmember Cordero's Proposed CD1 – RC2 to Bill 22 (2022), which we believe effectively respond to feedback from community stakeholders to:

• Extend the inital reporting deadline to ensure utilities, property owners and managers, and the City are prepared to implement new requirements.

The Honorable Radiant Cordero, Chair and Members June 9, 2022 Page 2

- Establish an exemption for cases where aggregated whole-building data cannot be obtained from a utility and gathering data from individual tenants would be too burdensome.
- Place a cap on fines to ensure property owners are not unreasonably burdened in instances of noncompliance.
- Specify what and how benchmarking information will be publicly disclosed.
- Further define or add clarity on aspects of the program as requested by stakeholders.

Since the last Council hearing of Bill 22 on May 4, we continued to build on significant outreach to building owners, managers, and key stakeholders to discuss the program, answer questions and receive input which informed proposed amendments. We reconnected with and/or met with all major property management companies, as discussed at Council hearing, and met with other interested building and property owners to discuss any outstanding concerns and shape any suggested amendments where relevant.

Upon Bill 22's passage, we will focus on stakeholder education and efficient program delivery in the lead up to the proposed first reporting date in June 2023. We continue ongoing engagement with the three utilities to ensure coordinated implementation of the benchmarking program. CCSR is also hiring staff to support implementation of the program, using approved Coronavirus State and Local Fiscal Recovery Funds (SLFRF) funds, so that we can provide tailored support towards education and compliance for those required to benchmark.

We know the Honolulu City Council ("Council") has already recognized the benefits of building benchmarking through adoption of Ordinance 20-47, which requires the City to annually benchmark energy and water usage in municipal facilities greater than 10,000 square feet; and Resolution 21-229, which requests the City Administration work with the Council to establish a benchmarking program for commercial and residential buildings on O'ahu.

Thank you for the opportunity to provide these comments in support of Bill 22 (2022), CD1 – RC2 and for continuing to drive action on community and industry priorities established and adopted by Council in the *O'ahu Resilience Strategy* and the City's *Climate Action Plan*. CCSR looks forward to continued discussions with the

The Honorable Radiant Cordero, Chair and Members June 9, 2022 Page 3

Council, property owners and managers, and utilities to deliver an effective benchmarking program.

Should you have any questions, please feel free to contact me at (808) 768-2277 or via e-mail at resilientoahu@honolulu.gov.

Sincerely,

Howard Hearn

Digitally signed by Gonser, Matthew Date: 2022.06.09 17:38:08 -10'00'

Matthew Gonser Executive Director and Chief Resilience Officer

APPROVED:

Michael D. Formby Managing Director