



Meeting Summary

Climate Action Plan Task Force

City of Bellingham

June 5, 2019

6:30 PM, 210 Lottie Street

Attendees. Task Force members: Lynne Murphy, Rick Nicholson, Derek Long, Mark Schofield, Jill MacIntyre Witt, Charles Barnhart, Erin McDade, Christine Grant, Don Goldberg. Staff/Consultants: Renee LaCroix, Clare Fogelsong, Mark Gardner, David Roberts.

Major Topics

The Task Force heard preliminary proposals from the Transportation Work Group and the Buildings Work Group.

Transportation Work Group proposals. The Transportation group presented its initial proposals to reduce greenhouse gas emissions in the transportation system. Draft proposals include the following:

- Increase the price of municipal parking to revenue neutral or revenue-positive.
- Add parking maximums to zoning designations instead of parking minimums.
- Require multifamily properties to adopt unbundled parking, where the cost of parking is a separate charge rather than being rolled into rent. This provides tenants with an option to reduce their rents, and has been found to reduce vehicle miles traveled. To manage parking, expand overnight residential parking permits in areas near urban zones, and prohibit tenants who choose not to rent a parking space from getting a neighborhood parking permit.
- Conduct education on the impact of the enormous amounts of land that is wasted by parking.
- Encourage compact development. This leads to better public health and lower public costs and also spurs economic development. Vehicle miles traveled begin to drop when density reaches 11-15 units per acre. Shift development patterns to 75% of new units in urban villages and 20% in urban village transition zones.
- Allow E-scooters and bike shares. These options are available in about 136 cities now. Research shows that some of the users of these systems shifted from cars to the alternatives.
- Sponsor group buys of vehicles and E bikes to reduce purchase costs.
- Add protected bike infrastructure, including experimentation and temporary installments until we see what works best. Protected bikes paths are good for local retail.
- Have twice a year all-staff transportation training for City employees.
- Support EV infrastructure. Adoption of EVs have the greatest impact on cumulative avoided emissions.
- Implement a parking tax on commercial parking facilities.

Buildings Work Group proposal. Draft proposals from the Buildings Work Group include the following:

- **Big buildings** (greater than 10,000 square feet). Owners choose one of two pathways:

- Electrify space and water heating systems by 2035, and
- Install solar PV coverage equivalent to at least 50% of building footprint – or equivalent off-site community solar purchase

OR

- Reduce GHG emissions by:
 - 35% by 2025
 - 65% by 2030
 - 100% by 2035

- **Small buildings (residential rental)**. Owners choose one of two pathways:

- Ensure building meets specified efficiency threshold by 2035
- Electrify space and water heating systems by 2035, and
- Install solar PV coverage equivalent to at least 50% of building footprint – or equivalent off-site community solar purchase

OR

- reduce GHG emissions by:
 - 35% by 2025
 - 65% by 2030
 - 100% by 2035

- **Small buildings (residential owner occupied)**. Owners follow the following pathway:

- Ensure building meets specified efficiency threshold within 12 months of purchase
- Install solar PV coverage equivalent to at least 50% of building footprint or buy into green power or community solar within 12 months of purchase
- Electrify space and water heating systems within 24 months of purchase
- Upgrades paid for by buyer, not seller
- Upgrade costs can be wrapped into mortgage financing, on-bill financing, etc.

- **New buildings (all types and sizes)**.

- Meet state building code efficiency standards
- Install solar PV coverage equivalent to at least 50% of building footprint – or equivalent off-site community solar purchase
- Have fully electric space and water heating systems
- Fully offset natural gas used for any other purpose by producing or procuring renewable energy

- **Finance and Technical Assistance Proposals**

- Create a technical assistance and design services program to help building owners complete projects
- Create a Bellingham Clean Energy Fund to provide cash incentives, solar financing, or to support a revolving loan fund for energy projects.
- Other financing mechanisms include federal green lending programs, on-bill financing, or tax credits

- **Equity and Social Considerations**
 - Acknowledge both implementation costs and long-term benefits
 - Provide a clear timeline for implementation as well as adequate incentives, subsidies and/or financing options
 - Ensure low- and moderate-income households are not unfairly burdened with costs related to compliance

- **Key Communications Points:**
 - Provide clarity for implementation pathways and timelines
 - Identify benefits of electrification: cleaner grid, reduced indoor air pollution, reduced energy use and costs, local job creation, and business expansion in efficiency and renewable sectors.

Discussion. The Task Force discussed the proposals for transportation and buildings. Task Force comments or questions included the following.

- There is a need to examine whether proposals for reducing emissions in the building sector will result in higher housing costs, particularly for low income people. A positive is that the costs of parking could go down.
- There will be load impacts to the electrical grid as demand for electricity goes up. There may also be impacts to building owners of converting to electricity, such as needing to upgrade the size of the electrical panel. PSE has GHG grid projections we can use.
- If we raise the gas utility tax affecting the local gas peaking plant, will PSE raise charges for Bellingham customers?
- Are we open to exploring a new city utility? Energy supply issues will be discussed starting with the July meeting.
- EV charging equipment requirements will be present in the next iteration of the state building code.
- What about existing roofs that are not engineered to take solar? Buildings group members noted that there will be a green power or community solar alternative.
- Bellingham is currently densifying with 60% of new units since 2000 being multifamily. However, current City zoning does not allow for “missing middle” housing types (townhomes, row houses, duplexes, etc.) in most neighborhoods. Greater density toward the middle of the city has a greater effect in reducing vehicle miles traveled.
- County or regional-level planning is really needed for best outcomes.
- Urban villages are still mostly below density expectations. Requirements for excessive commercial works against adequate housing. Commercial also increases parking demand. The City has been changing its policies to require less ground floor commercial for urban village corridors.
- The Task Force will need to look at the total cost of various proposals and understand the cumulative impact, including on electrical load.
- Who will enforce? This is yet to be determined. One mechanism used in Boulder is through a rental registration program.
- Should we charge for parking on Saturdays? This helps with circulation and prevents employees from monopolizing parking.

- Tax incentives need to be considered, especially for projects with high upfront costs or long payback.
- A recent [study](#) showed that switching from gas for hot water and space heating to electric heat pump technology can reduce long-term operational costs.
- What do we know about people's willingness to give up natural gas? Unknown. The proposals do not impact fireplaces or cooking stoves, just space and water heating.
- Reduction in consumption needs to be part of the discussion. We need to simplify our lives.

Other business. The Task Force agreed to move the next meeting to *July 17* to accommodate various absences. The meeting will be in the Council Chambers and start at 6:30 PM.

Public Comments. Members of the public noted the following:

- We need to save space for green roofs.
- People want garages.
- Costs for home sellers could go up
- Creating density without a range of needed uses near housing will not result in a reduction of vehicle miles traveled.
- We may need rent control to contain housing costs.
- Heat pumps are more expensive than new gas heaters.
- The proposals may add to requirements and costs. It is expensive to build housing in Bellingham. The Task Force noted that some of the proposals would reduce constraints on developers in terms of what types of housing units they could provide. Some of the required changes will not affect permitting times.
- Pumped hydro or flywheel storage can work.
- What about carbon capture technologies to buy time?

The meeting adjourned at approximately 8:45 PM. The next meeting will be on July 17 at 6:30 PM in the City Council Chambers, 210 Lottie Street.