

**THE CITY OF SEATTLE
DEPARTMENT OF PLANNING AND DEVELOPMENT**

REQUEST FOR PROPOSAL

TO

**ANALYZE POLICY OPTIONS TO
REDUCE THE ENERGY CONSUMPTION OF
NEW BUILDINGS CONSTRUCTED IN SEATTLE**

RELEASED: June 23, 2008

PROPOSALS DUE: July 7, 2008

Section 1. Background

During his annual State of the City Address, Mayor Nickels established the goal of making Seattle America's Green Building Capital. Following this announcement, the Mayor has convened a Green Building Task Force (GBTF) to provide guidance on appropriate policy mechanisms to achieve this goal.

The purpose of the GBTF is to provide feedback to City staff and the Mayor on policy options available to help make Seattle the nation's Green Building Capital by:

1. Improving the energy efficiency of residential and commercial buildings
 - a. Increasing the energy efficiency of Seattle's building stock by 20% by 2020
 - b. Increasing energy efficiency in new buildings and major retrofits consistent with the requirements of the 2030 Challenge
2. Creating job opportunities in the green economy
3. Saving Seattle residents and businesses money on energy costs

The GBTF will be broken out into two committees, a "New Buildings" Committee, and an "Existing Buildings" Committee.

The focus of the work under this contract will be on policies to be considered by the New Buildings Committee.

Section 2. Project Purpose

Seattle's Department of Planning and Development has identified potential policy options that could help the City accelerate gains in energy efficiency within new building construction. The range of policy options under consideration falls into two general categories.

The **first category consists of policies that provide financing and incentives** to make energy efficiency upgrades cost effective and attractive to developers. Options in this category could include public financing, density bonuses or changes to permitting processes.

The **second category includes policies that require increases in building energy efficiency**. Mandates could include a new ordinance establishing green building performance requirements, or revisions to energy, building, or land use codes. While financing and incentive policies rely on voluntary participation in the programs, mandates require participation and ensure that energy efficiency improvements will reach all new construction.

The proposed policies will be presented to the GBTF, which will be comprised of approximately 50 individuals with a range of perspectives on environmental and policy issues. This group will be divided into two Committees – New Buildings and Existing Buildings – based on interest and expertise, with approximately 25 members in each committee.

The GBTF members will apply their collective professional expertise in the subjects of energy efficiency, sustainable building and climate protection to the policy options presented to them. Information shared during the meetings will inform staff recommendations to the Mayor on the development of improved and/or new regulatory and programmatic measures to support the Mayor's Green Building Capital Initiative.

Section 3. Scope of Work

3.1. Phase I: Initial Analysis and Reporting

3.1.1. Background

The role of the New Buildings Policy Consultant (the Consultant) during Phase I is to analyze policy options available to the City to reduce the energy consumption of new buildings, and to produce briefing materials that can be presented to the New Buildings committee members.

An analysis of policy options for increasing the energy efficiency within Existing Buildings will be conducted under a separate contract. All results of that analysis will be made available to the New Buildings Policy Consultant, and should be used to inform the analysis of New Buildings policy options. Specific areas of expected interaction between these projects are highlighted in this RFP.

The goal is for new construction to meet targets consistent with the 2030 Challenge. This would require that all new commercial buildings, developments and major renovations be designed to meet a GHG emission and energy consumption performance standard of 50% of the regional (or country) average for that building type. The fossil fuel reduction standard for all new buildings would be increased to:

- 60% in 2010
- 70% in 2015
- 80% in 2020
- 90% in 2025
- Carbon-neutral in 2030 (using no fossil fuel GHG emitting energy to operate)

Because of the carbon-neutral nature of Seattle's existing hydro based electrical supplies, the appropriate local interpretation of the 2030 Challenge targets will be determined in consultation with the New Buildings Committee.

The analysis by the Consultant should include, but not be limited to:

- Reviewing the following list of policy options and identifying additional opportunities available for consideration.
- Describing each option in detail.
- Providing two to four background case studies for each policy option, with examples of how each has been implemented in other jurisdictions, and their relative success. DPD staff will prescreen the potential case studies and provide additional direction on which jurisdictions should be described.
- Considering the applicability of each option to different market sectors, such as residential and commercial.

- Analyzing each option for implementation in Seattle. Analysis should at minimum consider:
 - Ease of implementation: What are the legal, administrative, institutional and social implications of the proposed policy? How much local authority does the City have, and where would additional action at the State or Federal level be needed? Are there any other existing limitations or barriers that should be considered?
 - Stakeholders impacted: What stakeholder groups, including residents, businesses, and utilities, might be impacted by the policy? Identify benefits and constraints, and opportunities for mitigating them. What is the potential for creation of new green jobs?
 - Program delivery: What additional staffing or other resources will the City need to develop and support the proposed policy?
 - Funding: What funding sources are most appropriate for meeting anticipated costs for the City and other stakeholders?
 - Energy savings potential: What is the estimated potential energy savings of each proposed policy option – both in the near term (2012) and long term (2024/2050) – as compared to the 2030 Challenge goals?
 - Education and outreach requirements: Determine what customer (or other stakeholder) information would be required for each of these options.

Any new policy should be considered within the context of existing and proposed utility conservation programs:

- **SCL Conservation Programs and Incentives:** Seattle City Light's 5-Year Conservation Plan lays out a suite of incentives for both commercial and residential buildings. This study should assume City Light's conservation activities will proceed as identified in the plan.
- **PSE Conservation Programs and Incentives:** Natural gas is the most greenhouse gas intensive portion of the building sector's carbon footprint. Puget Sound Energy has conservation programs in place for residential and commercial customers paid for through "tracker" funds collected from all consumers. This study should assume PSE will proceed with its existing portfolio of conservation programs.
- **Oil and Steam:** There are currently no coordinated conservation programs in place for oil or steam customers. This is primarily due to a lack of incentives for oil and steam providers to reduce their sales in favor of conservation.

The analysis should consider how effective the proposed policy could be in reaching buildings underserved by current conservation programs, and how well it would leverage existing utility programs to provide deeper and broader market penetration.

There is frequently little correlation between energy use predicted at the design stage and how much energy the building actually uses. Therefore, the analysis should also examine the policy's effectiveness in affecting energy use during:

1. Design – choices made about building form and orientation, envelope materials, mechanical systems;
2. Construction – ensuring that the building was constructed as designed, that proper construction techniques were followed to prevent compromising the thermal

integrity of the envelope, and that mechanical systems were properly commissioned; and

3. Operation – encouraging proper use of the building and its systems, and occupant behavior that will minimize energy consumption;

3.1.2. Policy Options to Accelerate Energy Efficiency in New Buildings

The policy options to be analyzed by the Consultant include, but are not limited to, the following. Additional innovative policy options as suggested by the Consultant or the GBTF may also be considered.

I. Financing and Incentives

- a. **Green Investment Fund:** The City could establish a Green Investment Fund to incrementally fund energy performance improvements in new buildings. This program could be primarily funded by sources such as the City's general fund, Federal Block Grants, or by penalties assessed for projects that have applied for downtown bonus incentives but have fail to meet the LEED certification requirements. This fund would be used to encourage innovative measures such renewable energy systems, neighborhood scale solutions, "Zero Energy Capable" building demonstration projects, or innovative whole building improvements that are outside of the scope of existing utility incentive programs. These innovative projects could then be used to inform code development that would encourage further energy savings.

Examples: Portland, OR; Los Angeles Department of Water and Power; Pasadena, CA; Silicon Valley Power; Pennsylvania Sustainable Energy Fund; Chicago, IL; El Paso, TX; Santa Monica, CA

- b. **Carbon Feebate:** A feebate could be tied to either prescriptive or performance efficiency requirements, such that those falling below the minimum would pay the fee, the fee would be waived for those just meeting the threshold, and owners choosing to exceed the minimum requirements would be eligible for a rebate. A complete analysis of this option will be performed by and provided by the Existing Buildings Consultant. The New Buildings Consultant will work with this information and specifically consider its applicability to new construction.

Examples: Portland, OR; Arlington, VA (LEED Feebate);

- c. **Density Bonus:** In some portions of Seattle such as the downtown core the City currently allows projects that meet defined criteria such as LEED Silver certification to build to greater heights and densities. This policy option would consider expanding the geographic scope of the existing density bonus program, and adding specific energy performance thresholds for participation in the program.

Examples: Seattle, WA; Newark, DE; Nashville, TN; Austin, TX (no density bonus, but different energy code requirements based on zoning, location, and building type)

- d. **"Priority Green" Permitting System:** DPD could create a dedicated team of permit examiners, with expertise in and an understanding of the issues involved in sustainable design and construction, to prioritize the permitting of projects that meet a threshold for sustainability and energy performance. In addition, Priority

Green permitting could provide a special compliance pathway to facilitate the rapid approval of innovative energy and water efficiency measures that would otherwise face time consuming and expensive permitting challenges under Seattle's existing codes.

Examples: Santa Monica, CA; Chicago, IL; Los Angeles, CA, CA; Scottsdale, AZ; San Francisco, CA; Issaquah, WA

II. Mandates

- a. **Mandatory Green Building Performance Standards:** The City currently requires that all new City of Seattle buildings larger 5,000 square feet achieve a LEED Silver level of certification. The City could enact an ordinance whereby all new construction, in both the public and private sector, is required to achieve a performance level based on a higher third party standard such as LEED Gold or Built Green 4-Star.

Examples: San Francisco, CA; Boston, MA; Dallas, TX; Babylon, NY; Baltimore, MD; Pasadena, CA

- b. **Energy Code Updates:** Although the City of Seattle has what is commonly regarded as an excellent energy code, energy codes in other jurisdictions, particularly in Europe, have defined performance based energy intensity targets that are more stringent than those achieved with our existing energy code. This analysis would consider the implementation of a performance based energy code (with an alternative prescriptive path) with embedded energy intensity or GHG generation targets. This option would also assess the implications of using post occupancy energy audits for verification of actual energy performance in new construction. Post occupancy energy audits are being analyzed under a separate Scope of Work by the Existing Building Consultant, and the results of that analysis will be provided to the New Buildings Consultant as input.

Examples: California Title 25; Florida Energy Code; Denmark Energy Code; U.K. Energy Code; Dallas, TX; Albuquerque, NM

- c. **Building Code Updates:** While energy codes define requirements for systems with direct energy impacts, such as HVAC, lighting, and the building envelope, other aspects of a project such as site development, water use efficiency, indoor environmental quality, the use of renewable energy resources, and the building's impact on the atmosphere, materials and resources can have significant indirect impacts. This option would consider the adoption of a comprehensive building code based on ASHRAE Standard 189 to identify and capture potential energy savings potential in all aspects of a building's design, construction and operations.

Examples: Under consideration: New York City, NY; Chicago, IL; Portland, OR; Houston, TX

3.1.3. Deliverables

The Consultant shall prepare a briefing report on each policy option with sufficient detail to inform the GBTF stakeholders of the relative merits of each alternative. This information will be used by City staff to develop a more detailed financial analysis and fiscal note after the final policy recommendations have been determined.

3.2. Phase II: Final Analysis and Reporting

The role of the Consultant during Phase II is to consider feedback provided by the New Buildings committee members and assist in developing the “Staff Report” of preferred policies.

After initial policy options have been presented to the Task Force and comments have been received, the Consultant shall analyze feedback collected during the Task Force process and assist in development of a “Staff Report” detailing the recommended policy approach for the consideration of the Mayor. This Staff Report will identify significant gaps in the policies, as well as conflicts and synergies that exist between the potential alternatives.

Section 4. Project Schedule

The Consultant’s work will be coordinated with the proposed meeting schedule for the GBTF, as follows:

Full Task Force

- First Meeting – July 24, 2008
- Second Meeting – December 2008
- Third Meeting – January 2009

New Buildings Committee

- First Meeting – August 2008
- Second Meeting – September 2008
- Third Meeting – October 2008
- Fourth Meeting – October 2008
- Fifth Meeting – November 2008

The Consultant shall complete work on a set of policy options for presentation by City of Seattle staff at each of the first three New Buildings Committee meetings, with all analyses to be completed before the third meeting. The Consultant shall provide required briefing materials to City staff no later than one week prior to each GBTF meeting. Feedback from these meetings and from the final two New Buildings Committee meetings will be incorporated into the Staff Report.

Milestones:

- Phase I: Report on Policy Options – August to October 2008
 - o New Buildings Committee Meeting #1 – Report on the following:
 - Green Building Investment Fund
 - Carbon Feebate
 - Density Bonus
 - o New Buildings Committee Meeting #2 – Report on the following:
 - “Priority Green” Permitting System
 - Green Building Performance Standards

- o New Buildings Committee Meeting #3 – Report on the following:
 - Energy Code Updates
 - Building Code Updates
- Phase II: Analyze Gaps and Synergies – November 2008
- Complete Final Report: December 8, 2008

Section 5. Project Management

The project will be overseen and managed by staff from the Department of Planning and Development, with substantial input from staff from the Office of Sustainability and Environment.

Section 6. Selection Schedule

The City of Seattle Department of Planning and Development intends to complete its selection of a consultant according to the following schedule:

Consultant Selection Schedule	
Date	Milestone
June 23, 2008	DPD Issues RFP
July 7, 2008	Proposals due
July 11, 2008	Complete review of proposals, including possible requests for additional information and/or scheduling of consultant interviews
July 16, 2008	DPD selects consultant and contract is executed.

Section 7. Budget

The cost of this project cannot exceed \$75,000. Demonstration of ability to provide a cost-effective proposal is required.

Section 8. Proposal Administrative Requirements

8.1. Introduction

This section of the RFP details the procedures that the City has established for managing and directing the RFP process. The purpose of these procedures is to ensure that the City receives proposals that are the result of an open, competitive process, and that proposers receive fair and equitable treatment in the solicitation, receipt, and review of their proposals.

The City may reject the proposal of any proposer who fails to comply with any of the requirements of this Section.

8.2. Communications with City

Specific questions regarding logistics, the RFP, or the selection process should be directed to:

Jayson Antonoff, Project Manager
 City of Seattle, Department of Planning and Development
 700 5th Avenue, Suite 2000

PO Box 34019
Seattle, WA 98124-4019
Telephone: 206-386-9791
FAX: 206-233-7883
Jayson.Antonoff@Seattle.gov

Communications with other City officials or staff on this matter are prohibited and may result in disqualification of the prospective consultant.

If you are planning to respond to the RFP, please notify the project manager, Jayson Antonoff, by June 30, 2008 so that we may contact you in the event that there are any changes or clarifications to the text of the RFP.

8.3. Delivery of Proposals

To be considered, Proposals should be submitted electronically, by mail or hand-delivered no later than 5 p.m. (PDT) on **July 7, 2008**. Proposers are solely responsible for ensuring that proposals are delivered on time. Proposals received after the due date and time will be returned unopened.

By mail or hand-delivery: Five bound sets and one unbound set (suitable for photocopying) of the proposal shall be submitted.

City of Seattle
Department of Planning and Development
PO Box 34019
Seattle, WA 98124-4019
Attn: Jayson Antonoff

If hand-delivered, they should be delivered to 19th Floor of the Seattle Municipal Tower, 700 5th Avenue (Department of Planning and Development).

Proposals should be submitted in a sealed envelope that is labeled with the proposer's name and label identifying contents as a proposal responding to DPD's Request for Proposals to Analyze Policy Options to Reduce the Energy Consumption of New Buildings. No oral, FAX, or telephone proposals will be considered. The Department of Planning and Development is not responsible for late delivery caused by the Postal Service or private carriers. Any proposals received after the deadline will not be evaluated.

By Email: Submit via email to Jayson.Antonoff@seattle.gov by 5:00 p.m. (Pacific Daylight Time), **July 7, 2008**.

8.4. Cost of Proposal

This RFP does not, under any circumstances, commit the City to pay any costs incurred by any proposer in the submission of a proposal. The proposer is responsible for all costs associated with its response to this RFP.

8.5. Rejection of Proposals

The City reserves the right to reject any or all proposals at any time with no penalty and to waive immaterial defects and minor irregularities in proposals.

8.6. Proposal Disposition

All materials submitted in response to this RFP will become the property of the City upon delivery to the Project Manager.

The City will take all reasonable steps within its authority under state public disclosure laws to keep the content of all proposals confidential until the selection of the consultant is made. Any proprietary data must be clearly marked.

Section 9. Proposal Content

In order to adequately and objectively compare and evaluate qualifications, all proposals must be submitted in accordance with the following. The proposals should provide straightforward and concise information and be prepared simply, economically, and when submitted by mail or hand-delivered, using recycled/recyclable paper (using both sides of the paper for printed and photocopied material where practical).

Proposals shall be limited to a maximum of 15 pages, and shall clearly include:

9.1. Cover Letter stating overall qualifications of consultant/consultant team

9.2. Proposing firm name, address, phone, email: Identify the project manager and all team members, including subcontractors, proposed to be working on the project and indicate the estimated percentage of time each will spend on the project. (Maximum one page)

9.3. Approach: Describe your approach to and understanding of the project, addressing specific items in Section 3, along with any additional relevant information. Indicate hours to be spent on each task, with a supporting brief explanation. Include a brief explanation of how your team will be organized. (Maximum six pages)

9.4. Background: Describe the relevant experience of the firm, including years in business. Describe the relevant experience of the team members and/or subcontractors who will be doing the majority of the work. Discuss your team's capabilities in the areas of climate change, energy efficiency, code development, financial analysis, green building, real estate markets, and policy development. (Maximum five pages. Resumes of key team members should be included as attachments)

9.5. References: Provide at least three relevant references for your firm and each staff or subcontractor who will be spending more than eighty hours on this project (excepting administrative support).

9.6. Timeline and Budget: Provide a proposed timeline and a proposed budget that is consistent with estimated hours described in 9.3; the budget should include hourly rates for each team member. The maximum value of this contract is \$75,000.00.

Section 10. Evaluation Process

Staff from the Department of Planning and Development, the Office of Sustainability and Environment, Seattle City Light, and the Office of Planning and Management, will comprise the Selection Committee to review written proposals and to conduct interviews.

10.1. Evaluation Criteria

Evaluation criteria for the selection of a consultant will include factors relating to qualifications and experience, content of the proposal, and competence to perform the desired work and accomplish the desired outcomes. The rating criteria for the proposals are:

10.1.1. Qualifications and Experience (40 points)

The Consultant should demonstrate the following:

- Expertise in issues related to climate change, energy efficiency, code development, green building, real estate markets, and policy development;
- Experience in the subject matter and policy development as evidenced by the proposal and client references;
- Experience and qualifications of key personnel; and
- Availability and accessibility of key personnel.

10.1.2. Proposed Approach to Project and Scope of Work (40 points)

Quality of response to tasks listed in Section 3; appropriateness of any additional suggestions, modifications and improvements to the scope; overall quality of the proposal.

10.1.3. Cost Proposal: Demonstration of ability to provide a cost-effective proposal (20 points)

The Consultant should describe their projected budget, delineated by work phase and major tasks, for completing the required scope of work

10.2. Evaluation Process

Step 1: Written proposals will be reviewed and evaluated by an Evaluation Committee which will be comprised of City staff. The Evaluation Committee will rate written proposals based on the evaluation criteria listed in Section 10.1. The proposer(s) whose written proposal(s) receives the highest score(s) will be invited for interviews. References will be checked for those firms invited to interview.

Step 2: Interviews will be conducted by an Interview Team. The Interview Team will include the results of reference checks as part of their scoring. Scores from the written proposals and interviews will be compiled to rank order the finalists.

Step 3: Contract negotiations will commence with the selected consultant. Firms not selected will be notified in writing of the selection outcome.

Step 4: The contract will be executed between the selected consultant and the Department of Planning and Development.

Step 5: If negotiations with the initially selected consultant fail to produce a contract, the City reserves the right to enter negotiations with one or more other proposers.

Item	Maximum Points
Team qualifications	40 points
Approach and project understanding	40 points
Budget optimizes the value to the City	20 points

Section 11. Contracting Requirements

The Department of Planning and Development intends that the selected consultant firm or lead consultant will agree to the terms of the City's standard contract requirements (Exhibits A, B, C, and D). If there are any specific terms in this contract that are troubling to the proposer, a proposer must, as part of its proposal, identify these contract terms, explain its concerns and propose alternative or additional contract language, and any benefits (e.g. cost reductions) that the City will receive from accepting the alternative language. The Department of Planning and Development will consider such modifications, but given the constrained timeline, a protracted contract negotiation will not be possible. Proposers should not assume that the City will accept the proposer's changes and should price their proposals assuming that the City will insist on its standard contract terms.

The selected consultant will be required to be licensed to do the business in the City of Seattle and the state of Washington. The required business licenses are: City of Seattle Business License, WA State Unified Business Identifier (UBI), and the Federal Tax ID.

Equal Benefits Compliance (Exhibit A)

The Consultant must be in full compliance with all equal employment opportunity and non-discrimination benefits provisions required by the City of Seattle's laws, ordinances, rules and regulations. The Equal Benefits Program Information is available at: <http://seattle.gov/contract/equalbenefits/>

Insurance Requirements (Exhibit B)

If selected by the City of Seattle for the work, the consultant shall send the City's "Insurance Requirements and Transmittal Form" to their insurance broker. The consultant's broker is responsible for attaching proof of the required insurance to the form and sending it back to both the department and to Risk Management.

City of Seattle Performance Evaluation (Exhibit C)

The performance evaluation form will be completed by the Project Manager once the contract work is finished.

City of Seattle Consultant Contract (Exhibit D)

The City of Seattle's standard Consultant Agreement shall be completed by the Consultant and the City of Seattle to define the terms and conditions of this project.