

Building Performance Standards Policy Update

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Energy Services Director





Building Performance Standards Policy

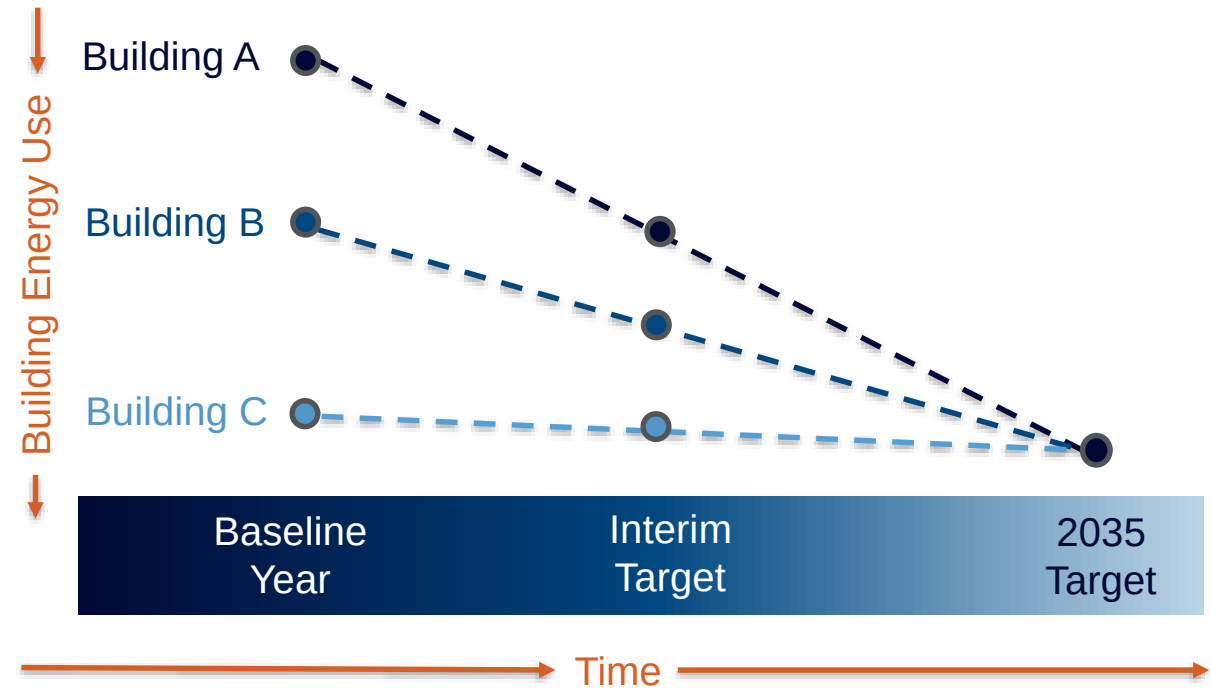
Develop policy framework for improving performance of built environment

OCF Driven

- Building emissions reduction
- Optimize energy use for pursuing 100% renewable electricity



- BPS require buildings to meet energy performance targets by specific deadlines.
- BPS focus on flexibility, providing options and off-ramps.
- Efficient buildings are already meeting performance targets.



BPS drive gradual efficiency improvements in existing buildings

Regulatory actions, including BPS, are necessary for achieving OCF emissions goals



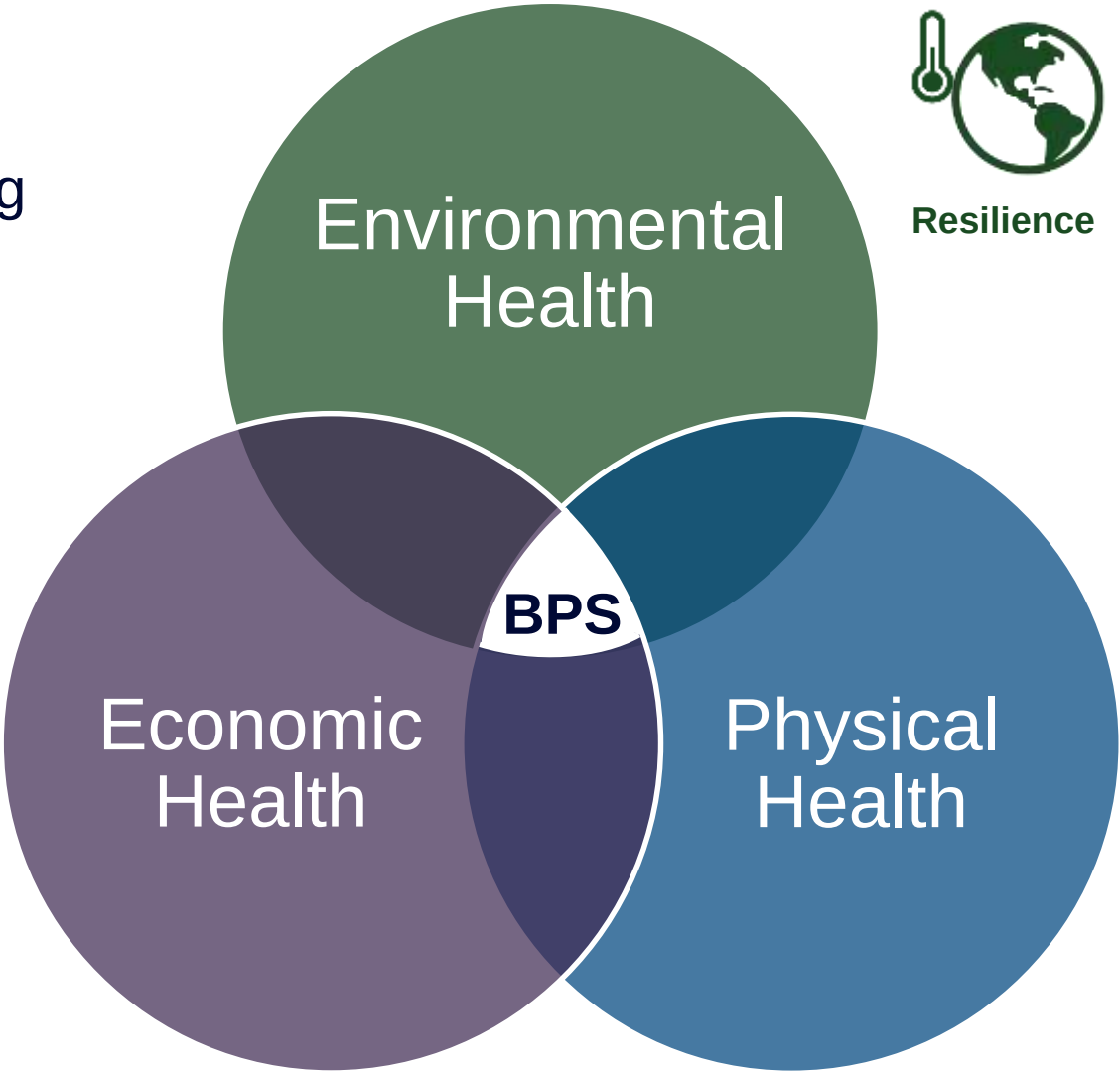
Energy burden through use and rate pressure



Occupancy & tenant retention



Economic growth, resale value, competitiveness



Resilience



Emissions impact



Natural Gas impact

Health



Safety



Comfort



BPS Overview: Proposed Covered Buildings in Fort Collins



Building Size	Building Count	Building Count	Timeline	Reduction	Reduction Target	Estimated Upgrade Cost (Per Square Foot)
	Number of total buildings	Buildings that need to act	Compliance requirement timeline	Standard Percent Reduction	Average reduction to target	
10,000+ square feet	650	430 (66%)	2035	25%	13%	\$5.80 to \$6.30
State covered 50,000+ square feet	80	60 (77%)	2030	29%	17%	\$4.40 to \$4.70

*Based on 2023 reported benchmarking data; some buildings are campuses which include multiple structures
Excludes buildings without 2023 reported data*

Council Feedback From Oct. 28 Work Session

Support regulatory BPS with incentives & services

Modify covered buildings, specifically multi-family buildings

Simplify building owner compliance process

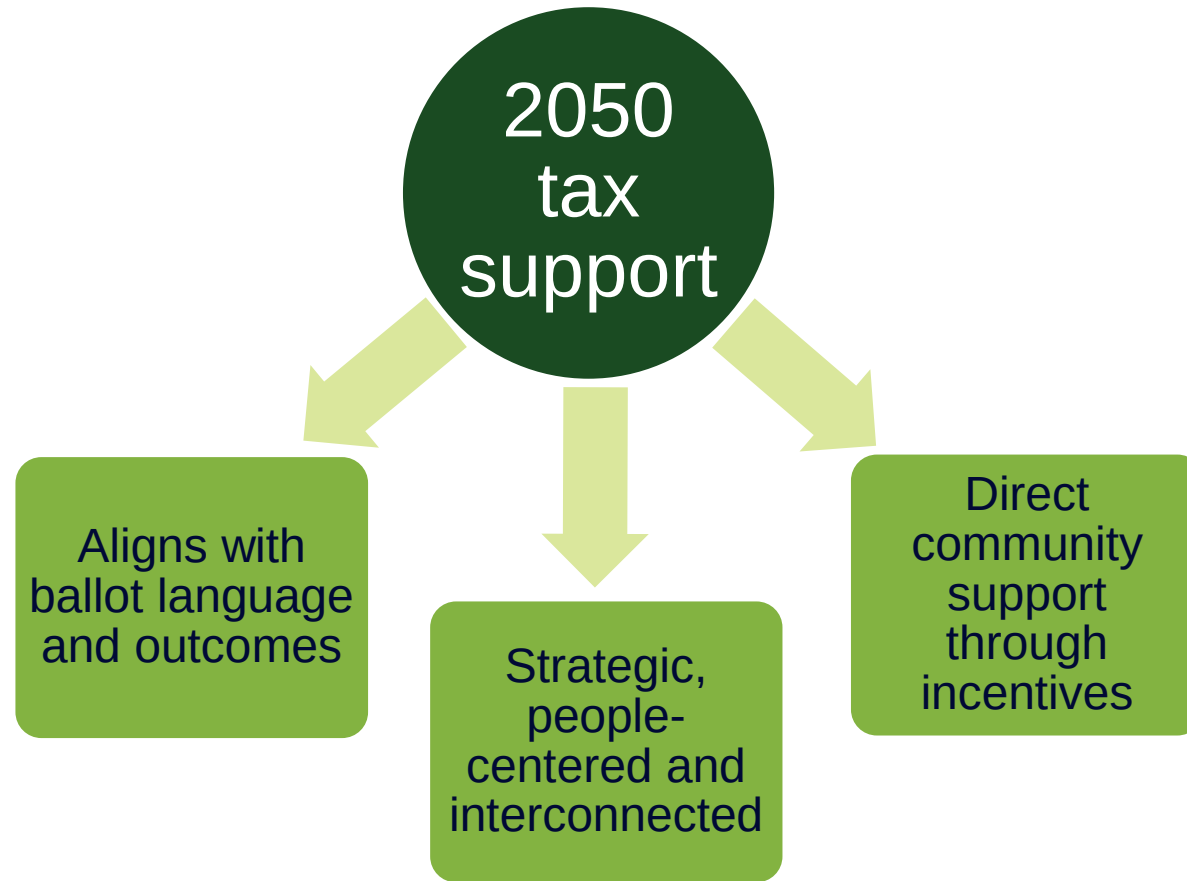
Monitor policy performance, including City building investments

Modifications to BPS policy for Dec. 2, 2025 First Reading



Changes from policy development	Mitigation impact and justification	Trade-offs presented to City Council
Extend compliance period to 2035 (previously proposed 2030 and 2035 for small buildings)	Minimal – Shifts outcomes - Emphasize an incentive-first approach. Timeline allows broad communication and options for building owners and extends 2050 tax investment	+ Allows additional planning, flexibility during economic uncertainty - Higher likelihood of missing interim climate policy goals
Exclude buildings 5,000-10,000 sq. ft. (310 buildings)	Minimal – 5% reduced policy impacts, costs - Excluding takes incentive-first approach for small buildings, focused BPS regulatory on bigger buildings	+ Reduced operating expense pressure - Does not improve energy use or building conditions for small business
Exclude multi-family buildings (148 multi-family campuses)	High – 17% reduced policy impacts, costs - Direct council feedback on excluding multi-family to not risk short-term building owner investment on housing affordability	+ Reduces upward housing affordability pressure - Does not improve energy use and owners not required to reduce rate pressure/improve living conditions
Exclude new construction (construction after 2024 IECC)	Minimal – increase for inflation - Reduce potential for regulatory overlap	- Dependence on compliance with 2024 IECC

Proposed BPS modifications achieve 75% of original proposed policy outcomes



Year	Projected 2050 Tax Budget
2027	\$2 million
2028	\$1.5 million
2029	\$1 million
2030	\$750,000
2031	\$750,000
2032	\$250,000

Additional incentives double incentives for existing buildings early in compliance period



- Staff recommend adoption on First Reading
- Continued refinement of building owner support
- Leverage federal, state, and Utilities funding
- Prepare for communication rollout and early engagement



Questions?

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