

SHIFT  
ZERO

# SHIFTING TO ZERO: ZERO CARBON BUILDINGS POLICY TOOLKIT

**A GUIDE TO MUNICIPAL INCENTIVES AND POLICIES TO  
DRIVE MARKET DEVELOPMENT OF ZERO CARBON BUILDINGS**



## SHIFT ZERO: WHO WE ARE

Shift Zero is an alliance of over 35 green building, energy efficiency, affordable housing, and climate action organizations, each with its own mission and approach to sustainability in the built environment, working together to catalyze a just transition to zero carbon buildings for all in Washington State to meet the urgency of the climate crisis. Shift Zero convenes members and allies to share technical, policy, and advocacy expertise and find alignment on policy and program solutions that can scale up equitably.

Collectively, we educate decisionmakers about how proven design approaches and

building technologies can be leveraged to create affordable access to high-performance, resilient buildings. A primary objective for Shift Zero is to provide a hub for thought leadership to ensure that Washington State is on a path to decarbonize both new and existing buildings. There is growing recognition that buildings need to be part of the climate solution, and Shift Zero will continue to harness this momentum by increasing awareness and advocacy for progressive building policies at the state and local levels.

[www.shiftzero.org](http://www.shiftzero.org)

Contact us: [info@shiftzero.org](mailto:info@shiftzero.org)

# EXECUTIVE SUMMARY:

## SHIFTING TO ZERO

Buildings are the fastest-growing source of carbon pollution in Washington state. In response to the climate crisis more than a dozen cities and counties within the state have adopted ambitious targets that will require eliminating most if not all emissions from new buildings by 2030, and from existing buildings by 2050.

This toolkit, developed with these targets in mind, is specifically designed to assist city, county, and other local government entities in Washington State develop policies to equitably scale up zero carbon buildings for all. Other government and non-governmental organizations from inside or outside of Washington may also find it a useful source of information and guidance to help shape local policy and advocacy.

### POWERFUL LEVERS TO ACCELERATE ZERO CARBON BUILDING

Local governments have a unique opportunity to make incentives and mandates work together to catalyze the adoption of zero carbon buildings for all. While incremental improvements are beneficial, the urgency of the climate crisis calls for big jumps forward. That means taking decisive steps now to enact policies, spur market leadership, and educate the community to begin scaling up healthy, high performance building practices, which still only represent a fraction of the overall construction market in most communities.

Shift Zero calls on our public officials to take the lead in transitioning our buildings and homes away from fracked gas and toward all-electric buildings. Pollution from burning gas in furnaces, water heaters, and stoves generates both indoor and outdoor air pollution, worsens asthma, and is especially harmful for children and seniors. All-electric high-efficient heating, cooling, water heating, and cooking appliances in new construction is the lowest-cost pathway for achieving our state's carbon reduction targets and can be a clean economic and jobs engine for our state now and for years to come.

### THIS TOOLKIT IS FOR:

- Municipal elected officials
- Planning, building, or economic development managers
- Permit issuers
- Community advocates



*Shift Zero defines a zero carbon building as a “highly energy efficient building that is fossil-fuel free and that produces on-site, or procures off-site, enough carbon-free renewable energy to meet building operations energy consumption annually.”*

## CREATING A ROADMAP FOR YOUR JURISDICTION

Determining the specific policies, actions and partnerships needed to meet these goals requires an approach tailored to the local context. Municipalities can start with research, community-wide climate planning, and stakeholder engagement, or they can choose a more direct route, starting pilot programs or adapting successful policies from other communities and taking bold decisive action to curtail carbon emissions from buildings. This toolkit is a guide to charting the most effective path to zero carbon for your community.

## BUILDING MORE EQUITABLE COMMUNITIES

Shifting to zero carbon buildings offers a wide range of benefits, including health, environmental and economic benefits, and infrastructure improvements, which can benefit the whole community. Yet historic inequities and escalating housing costs mean that low-income households and people of color already bear a disproportionate burden from pollution, high energy costs, and relatively poor housing conditions. Cities and counties can help reverse this trend by taking actions to increase production of zero carbon affordable housing that reduces energy bills and improves health and well being for those most vulnerable; and by prioritizing jobs and business opportunities for underserved communities.

## THIS TOOLKIT OFFERS:

**recommendations, resources and examples which municipalities can use to accelerate building practices beyond current requirements. It also includes:**

- A recommended incentives structure using three levels of energy performance: zero carbon-ready, zero carbon, and deepest green buildings.
- Guidance on which types of incentives are effective in a given context.
- Model legislation that local jurisdictions can adapt to their unique circumstances.

## UNDERSTANDING BUILDING FINANCIALS

For incentives to be effective and for mandates to be successfully adopted, it is important for policy makers and the public alike to understand the financial risk that developers take on. If a building project “doesn’t pencil” as designed, it simply won’t get built. Local governments can offer incentives that reduce the financial risk enough to outweigh the additional “first costs” of construction, making such projects much more likely to attract investment and to set a positive example in the marketplace. Incentives are most effective when leveraged with future mandates to provide an immediate catalyst which support private sector champions (i.e., “early adopters”) to voluntarily construct buildings that lead the market.

## TYPES OF INCENTIVES

There are many types of green building incentives used by municipalities that can be put into five broad categories: land use, expedited processes, technical assistance, marketing and publicity, and financial incentives. Beyond those available to local authorities, cities and counties can build partnerships to leverage state, federal, and utility incentives and additional financial tools to accelerate adoption of zero carbon buildings.





### **MAKING INCENTIVES WORK**

Shift Zero suggests building an incentive program with concrete plans for promoting and monitoring programs and projects, engaging stakeholders, and reporting to the public. Periodically evaluating and adapting your incentive program will help it stay relevant and effective. Enforcing incentives tied to building certification programs will require the use of third party verifiers and energy modeling software in addition to training internal staff.

### **PARTNER WITH GREEN BUILDING CERTIFICATION PROGRAMS**

Tying incentive programs to established 3-party certification programs and partnering with those organizations to promote beyond-code aspirational standards has distinct advantages - including having clear verifiable standards to determine eligibility and giving builders well-known options that have built-in marketing benefits. These programs' use of third-party verifiers provides a reliable way to streamline compliance and quantify the impacts of green buildings with measurable performance metrics. Shift Zero

recommends a three-tiered incentive structure using Built Green, Passive House, Living Building Challenge, National Green Building Standard (ICC-700), and LEED certifications to establish incentive levels for zero carbon-ready, zero carbon, and deepest green buildings.

### **CITIES AND COUNTIES SHIFTING TO ZERO**

Experience has shown that local governments can accelerate progress by adopting ambitious targets, setting the pace, and leading by example. Local governments are not alone in their efforts to create healthy, green, and sustainable buildings and communities. There are hundreds of local, regional, and national organizations that are willing to partner with and support public initiatives for zero carbon buildings. Partnerships with neighboring, and even cross-state, jurisdictions can have even more influence and greater impact on local policy.

Thank you for your interest. Please contact Shift Zero with questions or to share your own progress using the information in this policy guide to drive a market transition to a zero carbon future: [info@shiftzero.org](mailto:info@shiftzero.org).