

CITY COUNCIL AGENDA TOPIC

Resolution authorizing amendment of an agreement with McKinstry Essention LLC for the Eastside Clean Buildings Technical Support Program by an amount up to \$150,000 for the Clean Buildings Incentive Program.

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EXECUTIVE SUMMARY**ACTION**

The City of Bellevue seeks to amend the existing contract with McKinstry Essention LLC by an amount of \$150,000 to further the impact of the Clean Buildings Incentive Program. The increased funding will help buildings within Bellevue comply with the state's Clean Buildings Performance Standard. The program was initially launched in 2021 with a new contract with McKinstry approved by council in November 2025. The \$150,000 is redeployment of Community Development Department funds available this biennium that will help support affordable housing and nonprofit buildings comply with the state law.

RECOMMENDATION

Move to adopt Resolution No. 10649

BACKGROUND/ANALYSIS

The Eastside Clean Buildings Technical Support Program is funded as a joint initiative of the Eastside Climate Partnership (ECP) which is managed by the City of Bellevue and includes the cities of Bellevue, Issaquah, and Redmond.

Council approved the current contract for the Eastside Clean Buildings Technical Support Program in November 2025. This contract builds on the original Clean Buildings Incentive Program (CBIP), which was launched in 2021 and resulted in 202 building energy benchmarks, 31 scoping assessments or energy audits, and 12 Early Adopter Incentive applications for state funding for building energy efficiency upgrades through early 2025. These delivered services are projected to reduce greenhouse gas (GHG) emissions by 3,969 metrics tons, equivalent to planting 177,412 trees or not consuming 583,289 gallons of gas annually and ultimately providing an estimated benefit of \$318 in financial savings to building owners per every \$1 spent by the city to administer the program. The City of Issaquah developed a program shortly after Bellevue, modeled on the same approach.

Upon completion of Bellevue's first CBIP contract, the city held a competitive process to select a new vendor for program service delivery. Bellevue has agreed to partner with Issaquah and Redmond for this contract and service period through the Eastside Climate Partnership Interlocal Agreement. This partnership will leverage shared administrative, marketing, and service delivery capacity – better

serving building owners and operators across our region to comply with State Clean Buildings Law reporting and energy efficiency performance requirements. With deadlines related to these state requirements beginning in mid-2026, scaling and adapting the program to buildings' needs is a priority. Bellevue's Environmental Stewardship team has set aside the budget necessary to support program expansion and support buildings in this important pre-compliance period.

With the end of the 2025-2026 biennium approaching, the Community Development Department is looking to redeploy \$150,000 of available funding to serve more Bellevue buildings through the Clean Buildings Incentive Program before the end of 2026. This will support affordable housing and nonprofit facilities in Bellevue covered by the Clean Buildings Performance Standard. Below is an overview of how this program benefits the Bellevue community. This increase in funding is only for the Clean Buildings Incentive Program, not the other three projects included in the contract with McKinstry.

Program Overview

Clean Buildings Incentive Program

- a. Purpose: The cities will partner with the contractor to provide technical support to large commercial and multifamily buildings covered by State's Clean Buildings Law to meet reporting and performance requirements.
- b. Beneficiaries: Building owners and operators for commercial and multifamily buildings covered by the State Clean Buildings Law (larger than 20,000 square feet), and the users of those buildings, will benefit from education, technical assistance, incentive identification and application support, and guidance in complying with state requirements.
- c. Benefits & Outcomes:
 - i. Covered Bellevue, Issaquah, and Redmond buildings will receive building energy benchmarks, scoping assessments to understand potential improvements or upgrades, and prepare documents for incentives, grants, financing, and compliance.
 - ii. Bellevue, Issaquah, and Redmond's buildings will leverage incentives and avoid fines to improve energy efficiency and performance, driving down buildings sector GHG emissions.

Overall, the program prepares large commercial buildings to comply with the State Clean Buildings Law and related reporting and performance requirements, assists design of new constructions to implement green building design practices, and supports multifamily buildings to design and prepare to install electric vehicle charging technical assistance.

Bellevue’s updated budget through this amendment is outlined below in Table 1.

Table 1: Eastside Clean Buildings Technical Support Program Funding Sources

| Allocation | TOTAL Budget | Project 1: Clean Buildings Incentive Program | Project 2: EVSE Technical Assistance | Project 3: Green Building Design Technical Assistance | Project 4: General Technical Assistance |
|---------------------------------------|------------------|--|--------------------------------------|---|---|
| <i>Bellevue Current Budget</i> | \$470,000 | \$200,000 | \$120,000 | \$120,000 | \$30,000 |
| <i>Amendment</i> | \$150,000 | \$150,000 | - | - | - |
| <i>Revised Bellevue Budget</i> | \$620,000 | \$350,000 | \$120,000 | \$120,000 | \$30,000 |

POLICY & FISCAL IMPACTS

Policy Impact

The Resolution advances Bellevue’s climate and sustainability policies, priorities, and work, including:

Bellevue City Council Vision and Priorities (2024-2026)

- Strategic target areas: safe and efficient transportation system (3), high quality built and natural environment (4), thriving people and communities (5)
- 4.3: Preserve and protect the quality of public and private infrastructure, the safety and integrity of the built and natural environment, and address challenges of population growth, climate change and sustainable resource use.

Bellevue Comprehensive Plan Policies (2024)

- CL-13. Adopt and implement policies and programs to achieve a target of reducing citywide greenhouse gas emissions, compared to a 2011 baseline, by:
 - 50% by 2030,
 - 75% by 2040,
 - 95% by 2050 and net-zero emissions through carbon sequestration and other strategies.
- CL-66. Support sustainable and resilient net-zero and net-positive new development by phasing out fossil fuels and promoting renewable energy, energy efficiency, transportation and building electrification and electric grid integration.
- CL-67. Support energy efficiency retrofits and electrification in affordable housing properties, through incentives, financing, assistance and other strategies.

2026-2030 Sustainable Bellevue Plan

The Sustainable Bellevue Plan was adopted on November 18, 2025, and includes sustainability targets addressed by 41 implementation strategies spanning a five-year period, 2026-2030. The Resolution supports the following strategies in the 2026-2030 Sustainable Bellevue Plan:

- **B.3: Large Building Decarbonization Incentives:** Support decarbonization of commercial and multi-family buildings through state policy compliance, incentives, and technical assistance to

drive building efficiency and electrification upgrades, cost-savings, and GHG emissions reductions.

- **M.2: Electric Vehicles:** Support a rapid transition to electric vehicles to reduce emissions when vehicle trips are taken.
- **B.4: Green Building:** Facilitate green building construction with incentives and technical assistance to drive efficient, electric buildings that promote health, climate resilience, and alignment with Bellevue's emissions targets.

Fiscal Impact

This agreement with McKinstry Essention LLC is funded through a combination of budgets from the City of Bellevue, City of Issaquah, and City of Redmond. Bellevue's contribution through this amendment is to be increased to \$620,000, from \$470,000. There are sufficient funds in the 2025-2026 General Fund budget to support this Resolution.

OPTIONS

1. Adopt the Resolution authorizing amendment of an agreement with McKinstry Essention LLC for the Eastside Clean Buildings Technical Support Program by an amount up to \$150,000 for the Clean Buildings Incentive Program.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS

Proposed Resolution No. 10649

AVAILABLE IN COUNCIL LIBRARY

Eastside Climate Partnership Interlocal Agreement
2026-2030 Sustainable Bellevue Plan
Eastside Clean Buildings Technical Support Program
Eastside Clean Buildings Technical Support Program Amendment 1
Eastside Clean Buildings Technical Support Program Amendment 2