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**BUILDING
OWNERS AND
MANAGERS**

ASSOCIATION
British Columbia

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Select Standing Committee on Finance and Government Services
Room 224, Parliament Buildings
Victoria, BC V8V 1X4

By email to: financecommittee@leg.bc.ca

Dear Committee Members and Staff,

On behalf of the Building Owners and Managers Association of British Columbia (BOMA), thank you for the opportunity to make a submission to the Select Standing Committee on Finance and Government Services. We agree with the Province's objective to build a strong, sustainable and innovative economy for all British Columbians. Our recommendations outline innovative opportunities to promote BC's low carbon goals and stimulate a COVID-impacted economy while providing a catalyst to improve the resiliency of buildings.

BOMA provides energy and environmental services to our members such as energy tracking services, energy training, energy management services, total waste management, and the national BOMA Better Environmental Standards (BOMA BEST) building management program. Developed in BC in 2003, BOMA BEST has recorded over 7,000 certifications across Canada and is growing internationally. BOMA BEST helps buildings continuously improve energy performance and assists with water, energy, waste, accessibility, comfort and indoor air quality. These are all important factors to a healthy environment which have an impact on wellness and productivity. In 2019, BOMA BEST certified buildings prevented 54,000 tonnes of GHG emissions¹.

BOMA has been an active participant in the Provincial Energy Step Code Council (ESCC) since its inception which has helped implement the new Energy Step Code in municipalities. BOMA has provided Energy Management services in partnership with BC Hydro, as well as a Business Energy Advisor service through funding from the Ministry of Energy, Mines and Petroleum Resources Innovative Clean Energy Fund. This has been of great benefit to our industry, particularly the Class B and C older buildings, which need more support and have had less access to utility incentive programs due to lack of capacity and resources.

The Province has ambitious targets to achieve as part of its CleanBC plan and we believe innovative property tax policies are the best way to achieve them.

BOMA recognizes the need for new programs and initiatives to help building managers work with business tenants to achieve climate action targets and encourages the Province to adopt Commercial Property Assessed Clean Energy program policy (C-PACE).

¹ 2020 National Green Building Report, BOMA Canada

BOMA members represent some of the largest economic drivers in our province. C-PACE is seen as a required tool to spur incremental economic activity in our sector. When building owners make significant changes to a building's energy systems, the benefits flow to the tenants in the form of lower energy bills. This is a great benefit to the tenant, but does not provide significant incentive for the owner to undertake those changes since they cannot recoup a direct return on that investment. An owner would typically support investments that garner higher base rents (e.g. a lobby renovation or elevator upgrade). This common scenario is known as the "split incentive" and we believe C-PACE is the best tool to remove this barrier. It allows building owners to operationalize the expense and share the cost with tenants who directly benefit and recover their savings through reduced energy bills. This proposal may be similar to municipal revitalization tax credits which have been supported by provincial funding in the past.

Given the economic uncertainty surrounding COVID-19, many building owners are holding off on any commercial building renovations. There has never been a stronger need to combat this decline and for government provide innovative solutions to increase the resiliency of our built environment for generations.

Resiliency reflects the ability to recover quickly from difficulties or to adjust easily to change. BOMA has worked with the City of Victoria and District of Saanich to develop western Canada's first 2030 Resiliency District in the Capital Region District to highlight and assist buildings in achieving a 50% reduction in carbon emissions by 2030, as well as helping them to make accessibility improvements and seismic safety upgrades. **We would be interested in working with the Province to develop 2030 Resiliency Districts in different municipalities and to support property tax incentive policies for resiliency. This may require support from the Provincial Government to backstop municipal revenue loss associated with property tax incentives.**

To help the province meet its CleanBC carbon reduction objectives, there is a need to provide our industry with a greater understanding of the tools that are available to them, such as Energy Star® Portfolio Manager. To advance the business case for energy management, recognizing the value of benchmarking and monitoring, as well as the value derived from comparative data such as EUIs and Energy Star® scores, we recommend more education and engagement opportunities for operators of commercial buildings. **BOMA recommends funding an Energy Training Resource position for the commercial real estate industry to positively impact the knowledge base and organization of energy and GHG data for commercial buildings in BC.**

BOMA has been a leader in transforming the commercial buildings industry toward energy efficiency and environmental responsibility. BOMA is proud to have such a productive working relationship with the Province through our shared initiatives and partnerships. We would like to further strengthen our engagement for the benefit of communities in all of regions of the province. With our focus on developing and maintaining resilient communities, there are opportunities for the Province of BC to play a stronger role in effecting greater transformational change.

We believe in the Government's commitment to build a strong, sustainable economy and believe our policy suggestions will bring more equity, accessibility, resiliency and decarbonization opportunities for British Columbians in all parts of the Province.

BOMA represents an industry valued at more than \$350 billion, which contributes \$4 billion annually to the provincial economy and employs 40,000 British Columbians; more employees than the oil, gas and mineral extraction industries combined. Our industry supports the province's small businesses and provides community infrastructure that impacts all British Columbians' lives every day. We hope you will consider our suggestions to help spur resiliency in our community building stock.

Please do not hesitate to contact us if we can provide any more information.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Stathonikos". The signature is fluid and cursive, with a large initial "D" and "S".

Damian Stathonikos

President

Building Owners and Managers Association of British Columbia (BOMA)