June 13, 2025

San Francisco Environment Department
1455 Market Street
Suite 13A
San Francisco, CA, 94103

Re: San Francisco's Climate Action Plan: 2025 Update

On behalf of the Building Owners and Managers (BOMA) San Francisco, thank you for the opportunity to comment on the 2025 Draft Climate Action Plan ("the Plan"). BOMA SF represents more than 72 million square feet of office space in San Francisco. Our members are supportive of decarbonizing buildings, and BOMA has a long history of championing sustainability. BOMA is pleased to continue our partnership with the Department of the Environment ("the Department") to help craft workable policy solutions that address the climate crisis.

As operators and leaders of some of the most efficient building stock in the world, we aim to collaborate on creating equitable policy solutions that reduce carbon emissions. We can further magnify the impact of our work as other jurisdictions follow our lead. However, if we fail to collaborate and resolve complex issues, we will end up with a plan that promotes unrealistic policies, fosters adversarial working relationships, increases emissions, harms the business environment in San Francisco, and ultimately fails to achieve its core climate goals.

We stand ready to assist in finding comprehensive climate change solutions for San Francisco and offer the following comments and questions for consideration:

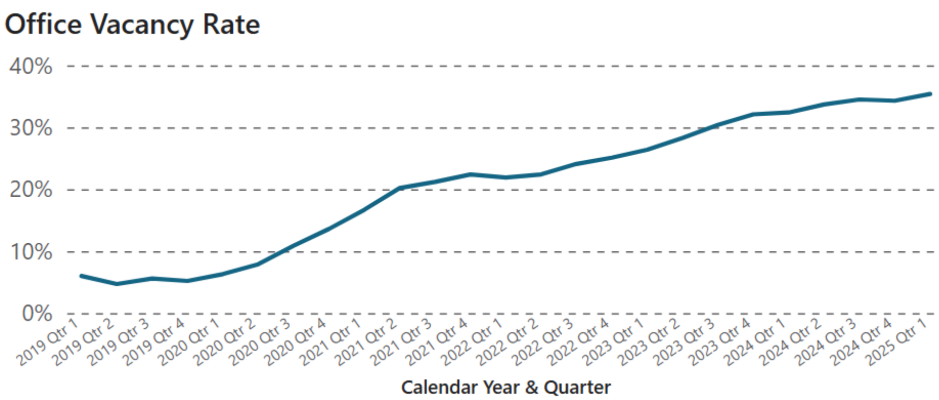
Baseline Considerations

San Francisco's commercial building owners and managers operate some of the most energy-efficient buildings in the world and are committed to advancing a cleaner environment. They actively worked to advance a cleaner environment and began decarbonizing their buildings before the City proposed a local Building Performance Standard (BPS). At the same time, our members have navigated extraordinary challenges, including historically low occupancy rates and reduced operational demand caused by the COVID-19 pandemic. For these reasons, we respectfully urge the Department to revise the emissions baseline year from 2022 to 2019.

Our members consistently prioritize sustainability and cleaner, more efficient operations, often in advance of local or statewide mandates. The Department has done an excellent job engaging with BOMA since the first Climate Action Plan was proposed. In response, many of our members made major financial investments to decarbonize their buildings well before the City drafted its BPS. Anchoring emissions reductions to a 2022 baseline penalizes these early adopters, fails to account for longstanding efforts, and risks disincentivizing continued leadership. The Climate Action Plan must acknowledge and appropriately credit the significant progress our members achieved before 2022.

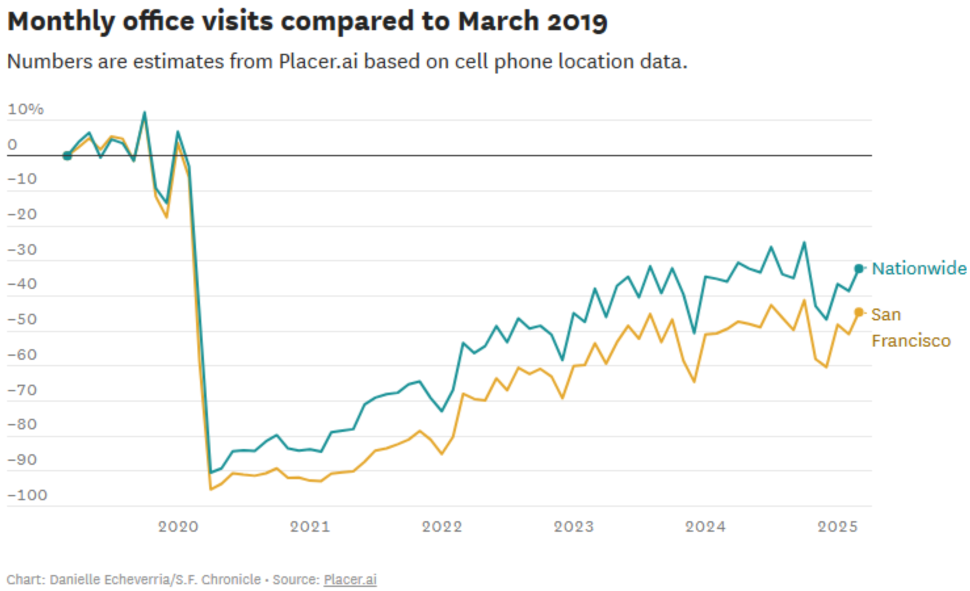
Additionally, using 2022 as a baseline also distorts the reality of greenhouse gas (GHG) emissions. In 2022, San Francisco's commercial buildings experienced historically low occupancy and reduced operational demand due to the impacts of the COVID-19 pandemic. These factors temporarily suppressed emissions but do not reflect normal or future operating conditions. A 2019 baseline would more accurately represent expected building activity and performance moving forward. Figures one and two below clearly show why 2022 is not a reliable benchmark for emissions accounting.

Figure 1



Source: City of San Francisco. (Q1 2025). *Office Vacancy Rate*. https://www.sf.gov/data--office-vacancy-rate

Figure 2



Source: San Francisco Chronicle. (2025). *Here's how bad S.F.'s return-to-office is compared to the rest of the U.S.* https://www.sfchronicle.com/sf/article/office-return-work-20271119.php

We remain strong supporters of the City's climate goals and are eager to be constructive partners. However, a fair and accurate baseline is essential to ensuring continued industry engagement and success in reducing building emissions citywide.

Establishing Clear Compliance Metrics

To meet the Department's BPS goals of reducing building emissions by 40 percent by 2035 and achieving zero operational Greenhouse Gas (GHG) emissions by 2040, building owners need clarity on how performance will be measured. The draft Plan does not specify what data will determine compliance. Based on conversations with the Department, we assume the data from the Existing Commercial Buildings Energy Performance Ordinance collected through the ENERGY STAR Portfolio Manager platform will serve as the basis for compliance. However, we urge the Department to explicitly confirm this in the final Plan.

Additionally, given recent reports that the ENERGY STAR program may be deprioritized or discontinued under the current federal administration, we encourage the Department to proactively identify and prepare an alternative benchmarking platform. A backup plan will help ensure compliance continuity, reliable data collection, and uninterrupted progress toward the City's climate goals.

Finally, we also recommend that the Department provide regular benchmarking feedback to building owners and clearly communicate how the Department will calibrate performance targets over time. Transparency around scoring, baselines, and target-setting will help ensure that benchmarking remains a constructive tool for improvement and not a punitive or unpredictable requirement.

Flexibility Mechanisms and Incentives

BOMA San Francisco supports the City's interim target of reducing emissions by 40 percent by 2035. However, this goal will not be achievable without a strong commitment to flexibility and an acknowledgment of the practical realities that building owners face. We urge the City to provide multiple compliance pathways, establish timelines that reflect long-term capital planning, and apply penalties fairly, especially for buildings making good-faith efforts to comply.

The success of the Climate Action Plan depends on aligning requirements with the financial and operational timelines of commercial real estate. Electrification mandates, refrigerant transitions, and other upgrades often require the early replacement of systems that are still functional. These costs are significant and are typically passed through to tenants. Without meaningful flexibility, building owners may be forced to defer improvements, thereby limiting progress on emissions.

Our members are particularly concerned about the impact on small business tenants, who are often least equipped to absorb additional expenses. Since commercial buildings operate as pass-through entities, both operational and capital costs are passed on to the tenants. As San Francisco continues its efforts to revitalize downtown, we must avoid imposing additional financial burdens on the very businesses we are trying to attract and retain. Climate policy must be designed with economic viability in mind, or it will undermine both the City's recovery and climate objectives.

Additionally, we encourage the Department to explore incentive-based approaches that support buildings in meeting BPS targets. This could include surveying local, state, and federal programs that offer financial assistance for energy retrofit projects. For example, Washington State's Early Adopter Incentive Program rewards building owners who demonstrate early compliance with its Clean Buildings Performance Standard (CBPS). A similar model could be explored in San Francisco.

Integration with State Standards

The State of California is developing a statewide Building Performance Standard (BPS) through the California Energy Commission. As San Francisco advances its own local BPS, it is critical that the City's requirements align with the emerging state framework. Divergent standards could lead to compliance confusion, increased costs, and hindered implementation.

In particular, the state is considering the inclusion of electric and thermal efficiency as part of its standard. However, San Francisco's Plan focuses solely on GHG emissions. While a GHG-only metric simplifies compliance and supports climate objectives, it risks undervaluing the efforts of buildings that have significantly reduced total energy consumption through advanced efficiency measures, especially in electric and steam systems.

Many BOMA-member buildings already operate at high levels of electric and thermal efficiency and are subject to rigorous standards at the state, national, and international levels. These standards prioritize total energy performance, not just emissions intensity. We urge the Department to clarify how energy efficiency, particularly electric and steam efficiency, will be recognized within the Plan.

Finally, we urge the Department to closely coordinate with state agencies to ensure consistency and reduce duplicative efforts. Wherever possible, joint reporting mechanisms should be established to simplify compliance for property owners and managers operating across multiple jurisdictions. Without clear coordination and streamlined requirements, the City's climate goals could be undermined by fragmented or inefficient policy implementation.

Conclusions and BOMA Support

San Francisco has a real opportunity to lead with a Climate Action Plan that is ambitious, practical, and inclusive. The policies outlined in the Plan must reflect not only bold ambition, but also the practical realities of implementation, the importance of economic recovery, and the value of incentivizing early action. With the right adjustments, this Plan can serve as a model for how cities can reduce emissions without jeopardizing investment, innovation, or tenant stability.

BOMA San Francisco and its members remain committed to building a low-carbon future for our city. We urge the Department to integrate the recommendations above so that the final Climate Action Plan reflects a balanced, equitable, and achievable path forward. We look forward to working closely with you to refine these strategies and ensure that San Francisco continues to lead the nation in sustainable, resilient, and inclusive urban development.

We welcome further discussion with our members to answer and refine these issues.

Sincerely,

John R. Bryant
Chief Executive Officer
BOMA San Francisco