

RESOLUTION NO. 3768
(As Amended: November 19, 2019)

A RESOLUTION of the Port of Seattle Commission establishing a Sustainable Evaluation Framework Policy Directive.

WHEREAS, the Port of Seattle in the Century Agenda commits to create economic opportunity for all, steward our environment responsibly, partner with surrounding communities, institutions, governments and businesses, to promote social responsibility, to conduct ourselves transparently, and to hold ourselves accountable; and

WHEREAS, the urgency of the climate crisis drives the need for innovative and far-reaching solutions; and

WHEREAS, the Port of Seattle Commission is committed to reducing our carbon footprint by investing in solutions to become the greenest and most efficient port in the nation and we are further committed to assisting and incentivizing those we do business to reach these goals; and

WHEREAS, the Port of Seattle has been a leader in assessing greenhouse gas emissions associated with capital projects and operations, and implementing mitigation strategies that reduce emissions that contribute to climate change; and

WHEREAS, the Port of Seattle Commission unanimously chartered the Energy and Sustainability Committee by motion on January 26, 2016 tasking the Committee primarily to develop and propose policy directives to guide the Port of Seattle's greenhouse gas (GHG) emissions reductions effort, with a focus on energy efficiency and alternative energy generation; and

WHEREAS, the Port of Seattle Commission set ambitious targets to reduce greenhouse gas emissions in alignment with the Paris Climate Agreement and other regional governments; and

WHEREAS, by 2050, the port committed to make its directly controlled emissions carbon neutral and to reduce its indirectly controlled sourced by 80 percent. We also have a short-term goal in 2020 to reduce direct emissions by 15% and a medium-term goal to reduce direct and indirect emissions by 50. We are currently negotiating the purchase of renewable natural gas that could get us to our 2030 goals in 2020; and

WHEREAS, the Port of Seattle Commission adopted recommendations of the Committee on December 19, 2017, directing staff to develop a Sustainability Project Framework to assist the port in meeting its greenhouse gas reduction and sustainability goals by integrating sustainability considerations into key Port decisions is essential to achieving the Port's long-term environmental and sustainability goals; and

WHEREAS, integrating sustainability into capital and operational decisions early in the process can reduce or eliminate negative environmental impacts, and can create positive impacts on our climate and natural environment; and

WHEREAS, the Sustainability Project Framework is also intended to increase transparency for the public and port leadership regarding energy- and sustainability-related decision-making on port projects; and

WHEREAS, transparency for the public is a bedrock principle of this policy, the commission will review in public alternatives and trade-offs that describe how a project can meet its GHG and sustainability goals; and

WHEREAS, to further support transparency the commission will review in public how those sustainability goals are being accomplished and annually review upcoming large projects that will likely come for authorization in any given year; and

WHEREAS, the policy will give the port commission the ability to transparently authorize sustainability decisions for capital, operational decisions, procurement, and leases by considering short-term financial implications and long-term environmental and societal benefits; and

WHEREAS, the Port of Seattle’s focus on equity issues obligates the port to consider its impact on society and to collaborate with communities to promote diversity, inclusion, and equity;

NOW, THEREFORE, BE IT RESOLVED by the Port of Seattle Commission as follows:

The Port of Seattle hereby adopts and directs the Executive Director to implement the Sustainable Evaluation Framework Policy Directive attached as Exhibit A.

ADOPTED by the Port of Seattle Commission at a duly noticed public meeting thereof, held this 28th day of January, 2020, and duly authenticated in open session by the signatures of the commissioners voting in favor thereof and the seal of the commission.



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 STEPHANIE BOWMAN

 FRED PELLEMAN

 RYAN CALKINS

 PETER STEINBRUECK

Port of Seattle Commission

EXHIBIT A: SUSTAINABLE EVALUATION FRAMEWORK POLICY DIRECTIVE

SECTION 1. Purpose.

This policy will advance the port's Century Agenda strategy to be the greenest and most energy efficient port in North America and the corresponding objectives, including reducing greenhouse gas emissions by conserving energy and/or using renewable energy.

The Port of Seattle Commission finds that to advance these goals and objectives, it is necessary to institute a port-wide process that reduces the environmental and societal impacts associated with capital projects and key operational decisions. The establishment of this Sustainable Evaluation Framework creates a port-wide process that is efficient and effective, uses port resources wisely, and provides transparency for the commission, the public, and port staff.

The primary purpose of this policy is to require the application of the Sustainable Evaluation Framework to all capital project decisions and key operational decisions to advance the port's sustainability goals and objectives.

SECTION 2. Definitions.

When used in this policy directive, the following words and phrases shall have the meanings given below unless the context in which they are included clearly indicates otherwise:

"Embodied carbon" is the carbon footprint of a material. It considers how much greenhouse gas (GHGs) is released throughout the supply chain and is often measured from cradle to (factory) gate, or cradle to site (of use).

"Key operational decisions" are decisions about aviation and non-aviation operations that are identified by the Executive Director, Senior Director of the Environment and Sustainability Center of Expertise and/or the director of the affected business unit as in need of review, because the decisions have energy use implications, GHG reduction opportunities, or other potential sustainability or societal impacts.

"Port-wide Sustainability Goals" are identified in Exhibit A.

"Scope 1, 2, and 3 Greenhouse gas (GHG) emissions" refers to the GHG Protocol Corporate Standard that classifies a company's GHG emissions into three 'scopes.' Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

“Sustainable Design Approach” is the recommended categories and sustainability concepts, approaches, and ideas that staff expect to explore and evaluate for a given capital project. The Approach is developed by the Sustainable Project Assessment and Review Collaboration (SPARC, described below) during the planning phases of a given project and will be used by the respective project design teams to inform their assessments and analyses to focus on those areas that may provide significant sustainability benefits for that project.

“Sustainable Design Strategy” is the recommended course of action that a project team is expected to implement in constructing its proposed project. The Sustainable Design Strategy includes the results of the analyses conducted during the design phase of the project and recommended suite of actions, including potential alternatives that were analyzed in the Sustainable Design Approach, that are expected to advance the port’s sustainability goals as appropriate for that project.

“Sustainable Evaluation Framework” refers to a set of criteria recommended and adopted by the Commission (Motion 2017-14, adopted December 19, 2017) to assist the port in achieving its sustainability goals. The criteria are in addition to other project evaluation criteria such as return on investment or total cost of ownership.

The Framework criteria are:

- Reduce GHG emissions
- Protect health and the environment
- Increase resilience
- Support local economic development
- Advance innovation
- Leverage and develop partnerships
- Advance equity

“Sustainable Project Assessment and Review Collaboration” (SPARC) refers to a group of internal and external experts as appropriate, determined by the port as having professional expertise related to the sustainability opportunities relevant to a given port capital project or key operational decision.

SECTION 3. Scope and Applicability.

This policy directive establishes guidance on integrating sustainability into all capital projects and key operational decisions across the port, in an efficient and effective manner. For capital projects and key operational decisions that meet the threshold for commission action identified in the Delegation of Responsibility and Authority, all capital project teams and operational staff shall integrate sustainable approaches into planning, design, construction, procurement, and other operations consistent with this policy. Leasing shall be considered part of the scope of this policy per the outcomes of Section 6(G).

This policy directive ensures that the port will implement an efficient and effective process for developing and implementing sustainable designs for capital projects; creates a responsibility to identify key operational decisions that would benefit from a sustainability review; and creates a process for reviewing and tracking sustainability outcomes from projects for the commission and public.

SECTION 4. Responsibilities.

The port's Executive Director or a delegate shall ensure the policy is implemented and adequately funded, and that the Sustainable Evaluation Framework is integrated into capital projects and key operational decisions across the port.

The Executive Director shall also ensure that decisions associated with the application of the Sustainable Evaluation Framework are transparently documented and publicly exhibited so that the Port of Seattle Commission can review, in public, alternatives and trade-offs that describe how a project can meet its GHG and sustainability and other societal goals.

The Executive Director shall also ensure that the program evaluation meets the purpose and timeliness identified in Section 6 of this policy.

SECTION 5. Policy.

To integrate the framework into capital development design and construction processes and key operational decisions, the port shall:

A. Develop and implement a tiered approach that focuses port resources on capital projects that have the greatest opportunities to meet the commission's directive in the framework:

- (1) Tier 1: Smaller, less complex, projects that would follow port standards and specifications.
- (2) Tier 2: Medium-sized, or more complex, projects that have opportunities for sustainability benefit would be subject to targeted sustainability analyses and strategies. Tier 2 projects may receive a cost per ton of carbon calculation.
- (3) Tier 3: Large, or the most complex, projects with significant opportunities that may require a sustainability certification along with other targeted sustainability analyses and strategies, as applicable. Tier 3 projects will receive a cost per ton of carbon reduction analysis.

B. Establish a team of project-specific experts (referred to as the Sustainable Project Assessment and Review Collaboration or SPARC) to leverage port expertise and knowledge of

existing and emerging sustainability practices for capital projects and key operational decisions to:

- (1) Identify, review, brainstorm, and recommend sustainability concepts and ideas for project and operational teams to consider and evaluate during the development and design stage of port projects.
- (2) Encourage project and operational teams to evaluate and consider innovative strategies to reduce emissions and energy use beyond traditional approaches.
- (3) Select and apply the relevant Sustainable Evaluation Framework criteria to highlight tradeoffs and benefits during development of the Sustainable Design Approach and review of key operational decisions.

C. SPARC recommendations shall be documented in a Sustainable Design Approach for each capital project and presented to commission along with the request for authorization for design funds.

- (1) The Sustainable Design Approach shall include a recommendation as to whether a project should pursue an applicable third-party sustainability certification.
- (2) Capital project teams shall evaluate and quantify the sustainability costs and benefits of the Sustainable Design Approaches as part of the design process.

D. Capital project teams shall work with the SPARC to develop and recommend a Sustainable Design Strategy that includes alternatives that were analyzed in the Sustainable Design Approach. The Sustainable Design Strategy shall be included in the final construction authorization for each project.

E. The Executive Director or delegate shall consult with the Energy and Sustainability Committee on alternatives identified in the Sustainable Design Strategy at or before 30 percent design.

F. The Executive Director shall consult the commission on key operational decision alternatives where there are significant GHG, sustainability, or cost implications.

G. The Senior Director, Engineering, Environment, and Sustainability or delegate shall be consulted regarding any changes to the Sustainable Design Strategy that occur after commission authorization. The Senior Director shall brief the Energy and Sustainability Committee on those changes.

H. Recognize project teams that meet or surpass their project-specific goals to encourage innovation and environmental sustainability achievements.

SECTION 6. Program Evaluation.

A. Port staff shall prepare and deliver to the commission an Annual Sustainable Evaluation Framework Progress Report by June 30 of each year that includes progress and recommendations to achieve the policy outlined in Section 5. The progress report shall include:

- (1) The Sustainability Scorecard to provide context for progress on reaching GHG reduction goals.
- (2) A summary of sustainability elements that have been identified in the Sustainable Design Strategies for each project.
- (3) Description of the implementation of the framework as part of each capital project and key operational decisions, including those strategies that were considered but ultimately not included in the project.
- (4) The estimated GHG emission reductions related to each project and the cost per metric ton of GHG reduced for those projects, where such a calculation was used.
- (5) Other sustainability benefits associated with projects as appropriate.

B. By March 31, 2020, present to the commission a Sustainable Evaluation Framework Guidance Document that will guide application of this policy to capital construction starting March 31, 2020.

C. By June 30, 2021, present findings and recommendations to the Energy and Sustainability Committee that outline how key operational decisions were identified and delivered to commission and the public from adoption of this policy until June 30, 2021, and incorporate these findings into the final Sustainable Evaluation Framework Guidance Document.

D. By June 30, 2021, present to the commission recommendations for incorporating equity and resiliency considerations into the Sustainable Evaluation Framework or the final Sustainable Evaluation Framework Guidance Document. When developing recommendations on resiliency, the Executive Director shall consider the following definition: “Resiliency is the capacity to adapt to changing conditions and to maintain or regain functionality and vitality in the face of stress or disturbance. It is the capacity to bounce back after a disturbance or interruption.”

E. By December 30, 2021, present to the commission recommendations for updating and revising port construction specifications and standards to reflect advancements in sustainable materials, energy efficiency, and sustainable design approaches. Recommendations will include consideration of total cost of ownership and sustainability costs and benefits.

F. Within 90 days of implementation of this policy, port staff shall deliver a timeline and scope of work for the development and pilot of incentives to reduce embodied carbon in construction materials through a partnership with external partners.

G. By December 30, 2021, present to the commission recommendations for incorporating the development of long-term lease agreements into the Sustainable Evaluation Framework and/or the final Sustainable Evaluation Framework Guidance Document.

(POLICY DIRECTIVE) EXHIBIT A
Century Agenda and Current Port Policies Summary

A summary of Port of Seattle sustainability goals and objectives as described in the port’s Century Agenda, Environmental Scorecard, and Ground Transportation Principles and Goals Policy Directive, and a commission briefing is provided for reference below:

Carbon (GHG) Reduction¹	Reduce Scope 1 & 2 emissions: <ul style="list-style-type: none"> ▪ 15% below 2005 levels by 2020 ▪ 50% below 2005 levels by 2030 ▪ Carbon neutral by 2050 or carbon negative by 2050 Scope 3 emissions: <ul style="list-style-type: none"> ▪ 50% below 2007 levels by 2030 ▪ 80% below 2007 levels by 2050
Energy²	Meet all increased energy needs with conservation and/or renewables.
Airport Ground Transportation Policy Directive³	Reduce curbside private vehicle pickup/drop off from 41 percent to 30 percent of mode share by 2030. Reduce Scope 3 GHG emissions from passenger vehicles to 50 percent of 2007 levels by 2030. Maintain a maximum 15-minute travel time from the airport clock tower to terminal curb or parking garage.
Air Pollution⁴	Reduce particulate matter pollution by 50% from 2005 levels.
Water Quality⁵	Meet or exceed agency requirements for stormwater leaving Port-owned or operated facilities.
Waste Reduction⁶	Solid waste: 60% diverted from landfills Construction waste: 90% diverted from landfills
Habitat/Land Restoration⁷	Restore, create, and enhance 40 additional acres of habitat in the Green/Duwamish watershed and Elliott Bay.
Water Conservation⁸	Reduce projected future water consumption by 12% by 2030
Northwest Ports Clean Air Strategy	Guides clean air goals for Northwest Ports.

¹ Port of Seattle Century Agenda Strategic Objectives. Downloaded October 2019.

<https://www.portseattle.org/page/century-agenda-strategic-objectives>.

² Port of Seattle Century Agenda Objectives, 2019.

³ Port of Seattle Commission Resolution No.3759, July 9, 2019.

⁴ Port of Seattle Century Agenda Strategic Objectives, 2019.

⁵ Port of Seattle Century Agenda Strategic Objectives, 2019.

⁶ Port of Seattle Environmental Scorecard, 2018.

⁷ Port of Seattle Century Agenda Strategic Objectives, 2019.

⁸ Strategy for a Sustainable Sea-Tac. Commission Briefing, 2/10/2015.