

Building Thriving Communities



Annual Report
2021-2022

About IMT

The Institute for Market Transformation (IMT) is a national 501(c)(3) nonprofit organization with a mission to drive demand for buildings that are healthy, low pollution, resilient to extreme weather, and that support local communities. We bring this vision to life through the co-design of policies, programs, and business practices that scale better buildings in the United States. A trusted, non-partisan leader, IMT provides actionable resources, market analysis, and hands-on technical assistance to transform how building performance is defined, valued, and acted upon. Within this work, IMT seeks to center community voices and connect people across silos. Together, we are catalyzing lasting change in how buildings serve people and communities. To learn more, visit imt.org.

Contents

We Believe That Better Buildings Change Lives	4
Letter from the Executive Director	5
What Makes Us Different: IMT's Guiding Principles	6
Our Progress in 2021 and 2022	8
Raising the Bar for Building Performance	8
Supporting Early Adopters	10
Make it Easier to Act	13
Putting it All Together: Community Climate Shift	15
Financials	18
2021-2022 Funders and Financial Supporters	20
Philanthropic, Grant, and Contract Funders	20
IMT Corporate Supporters	20
Building Innovation Hub Supporting Members	21
Our Team	22
IMT Board of Directors	23

We Believe That Better Buildings Change Lives

The time to build a more equitable, resilient future is now. To meaningfully reduce our national and global carbon footprint and protect people given the impacts of climate change, we must rethink how we create, construct, maintain, and value buildings.

We must renovate existing buildings at a much faster pace and craft new buildings to be healthy, resilient properties powered by clean, reliable energy. That means using materials with less embodied carbon; anchoring design and development processes on whole-building performance; improving operations so that owners, landlords, and tenants use less energy while providing healthy, comfortable, affordable spaces; and connecting the dots beyond the property line to actively drive the transition away from fossil fuels.

The path ahead must start with understanding and prioritizing community needs and shifting power to those most impacted by climate change. More equitable and robust financing programs can provide capital to these frontline communities, while lower energy bills can start to correct the disproportionate energy burden that falls on residents of color. More diverse contracting and operations practices can help us meet our collective responsibility to create greater, more equitable economic opportunities.

IMT is on a mission to equitably decarbonize buildings in this decade and improve the livability of our communities. Why? Because we believe that better buildings change lives.



Remarks from Lotte Schlegel, Our Executive Director

What will it take to build thriving communities?

We have less than a decade to take climate action that preserves our collective future, but in this moment of change there is tremendous opportunity to re-envision the world we want to live in, and how buildings can better serve people and planet. In this video, Lotte Schlegel, our executive director, explains what motivates IMT, and how our vision is evolving.

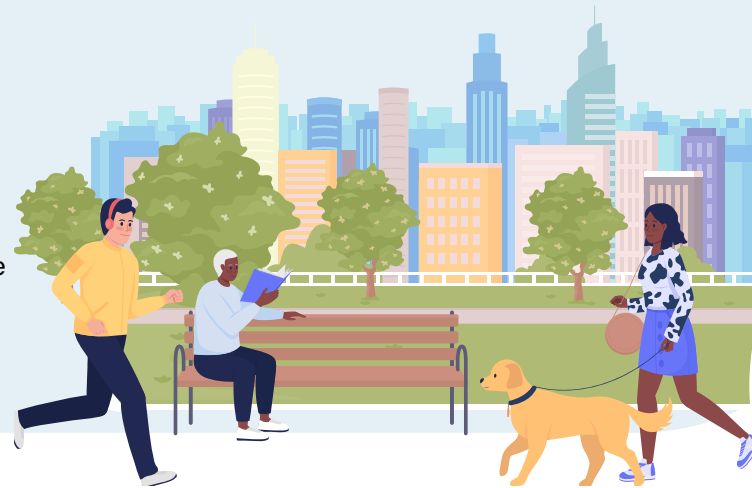


Click to listen to Lotte's remarks

What Makes Us Different: IMT's Guiding Principles

Center social and racial equity.

IMT works to ensure that the benefits of high-performing buildings flow to all, starting with those who lack access. We work to maximize benefits to people and build community wealth and power by including community members and those most impacted by buildings policy and programs in their development.



Build with others.

IMT works collaboratively with others to maximize the impact of the whole and harness the range of available strengths without reproducing efforts.

Always move to scale.

IMT works on projects and programs that it can replicate at scale to deliver big gains. IMT identifies and replicates global best practices.



Be judicious in our investments.

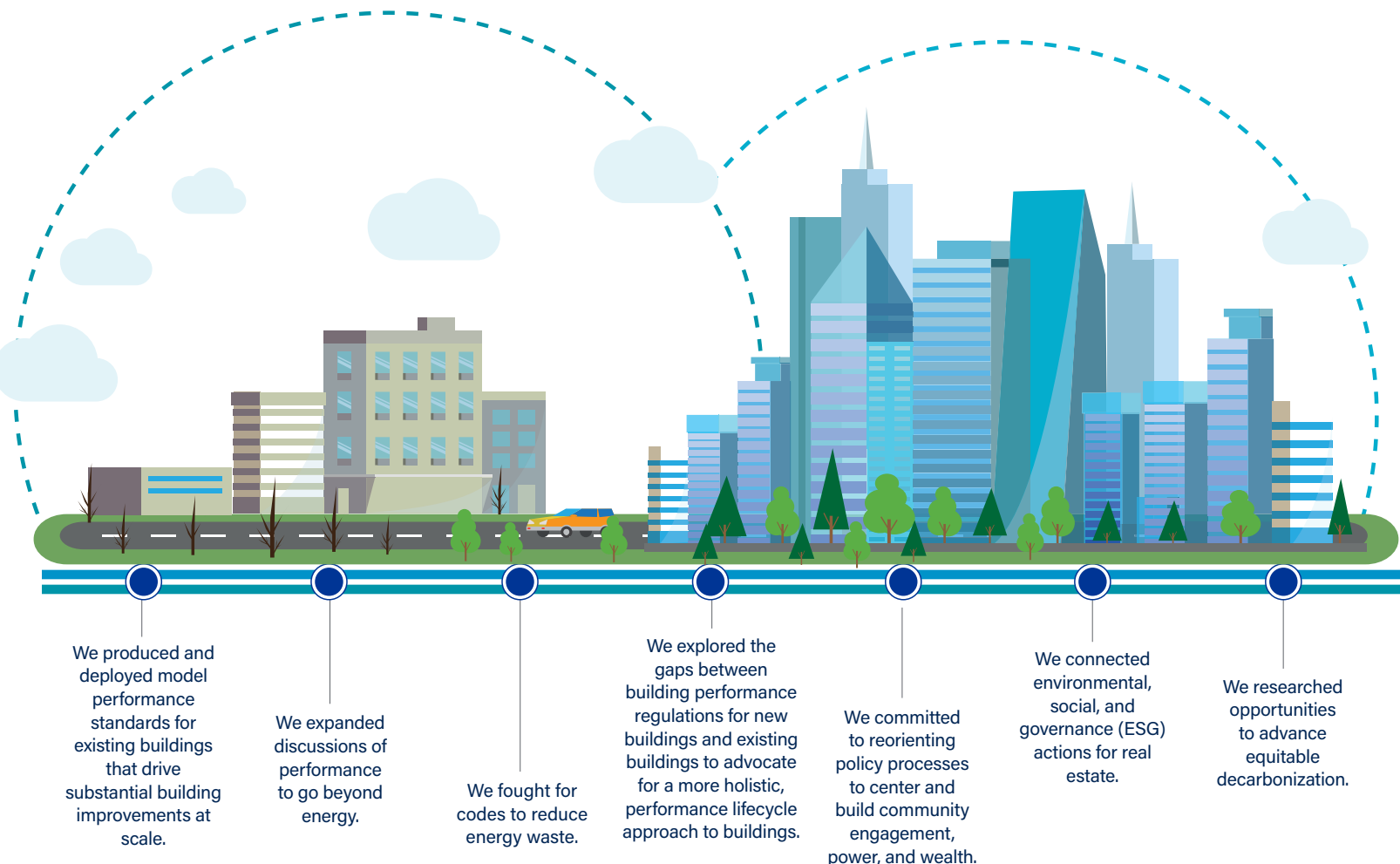
IMT focuses its resources to maximize impact and target strategic growth where the organization can lay foundations for ongoing market transformation.

Our Progress in 2021 and 2022

Raising the bar for building performance

What constitutes a high-performing building? It depends on who you ask. A real estate developer, builder, or owner might focus on return on investment or net operating income. Someone renting a drafty apartment, however, might say it's a home that is comfortable and affordable, no matter the weather. For a homeowner or a policymaker whose town is increasingly facing the threat of wildfires or floods, a high-performance building might include one that can protect occupants during these events and recover quickly and cost-effectively.

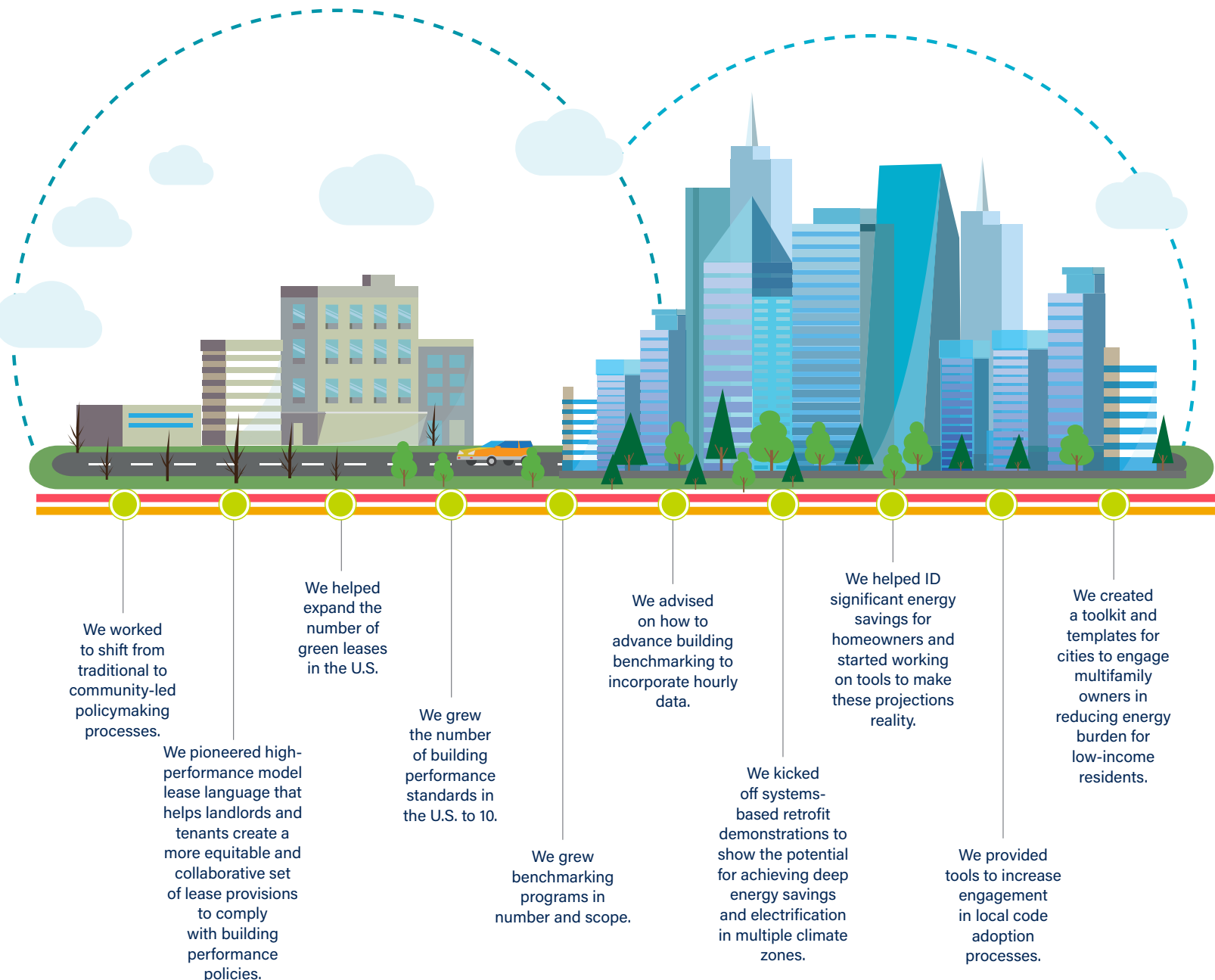
To all of this, in 2021 and 2022, IMT said “Yes, and...” It's time to raise the bar for what society expects from its buildings.



- **We produced and deployed model performance standards for existing buildings that drive substantial building improvements at scale.** To move the market to act, governments across the U.S. are increasingly looking at building performance policies and programs that set performance targets that require improvements over time. Centralizing lessons learned from jurisdictions across the U.S., IMT kicked off 2021 by publishing a [building performance standard \(BPS\) model law](#) that gives jurisdictions draft language that can be adapted to fit the needs and priorities of each community while achieving deep energy and carbon savings in existing buildings. The model ordinance features a trajectory approach to performance improvements that is designed to give real estate decisionmakers a balance of regulatory certainty and compliance flexibility to facilitate their investments and strategies. A [shorter version of the model law](#) followed in 2022, to provide jurisdictions more flexibility in how and when their standards and performance targets are built out.
- **We expanded discussions of performance to go beyond energy.** Building upon our building performance standard model ordinance, IMT partnered with industry leaders including Elevate and the International WELL Building Institute to produce [several additional modules](#) to show how BPS can address community needs—such as housing affordability, resilience, and health—to produce more holistic policies and programs.
- **We fought for codes to reduce energy waste.** Codes play a critical role in advancing high-performance buildings at scale. IMT and the [Energy-Efficient Codes Coalition \(EECC\)](#) advocated higher performance requirements in model codes, while championing adoption of the 2021 International Energy Conservation Code (a code that was determined to be 9% better than the previous version). In 2021, EECC mobilized local governments against a proposed change to democratic decision making process of future codes; the motion passed, but EECC has retained strong connections to former governmental voters and EECC’s Director, Amy Boyce, holds a seat in the new committee structure.
- **We explored the gaps between building performance regulations for new buildings and existing buildings to advocate for a more holistic, performance lifecycle approach to buildings.** Our 2022 paper, “[The New Challenge for New Construction: The Intersection of Energy Codes and Building Performance Standards](#),” explored how new construction codes in several sample jurisdictions compare to existing or proposed BPS; explored methods to bridge the gap between new and existing buildings, the potential and limitations of each method as a siloed tactic to improve buildings as whole.
- **We committed to reorienting policy processes to center and build community engagement, power, and wealth.** Currently, community members most affected by climate change often lack the political, economic, and technical resources needed to advocate for solutions. This has to change. IMT is committed to increasing community representation, power, and wealth. One important way to achieve this is to reorient policymaking processes to center community needs. In 2021-2022, we invested in a collaborative development process with community-based organizations to develop a community engagement framework that consolidates recommendations and best practices.
- **We connected environmental, social, and governance actions for real estate.** Informed by months of collaboration with leading commercial real estate firms and environmental justice principles, [IMT’s Framework for the Transformation of Real Estate](#), published in September 2021, lays out 10 pillars through which business leaders can lead the way to an economically robust, more socially just, and sustainable future.
- **We researched opportunities to advance equitable decarbonization.** There is a need to better understand community health impacts of emissions from commercial and non-residential buildings, as well as the economic impacts on communities of color. Recognizing this, IMT and the Institute for Sustainable Communities commissioned a [report](#) from Jalone L. White-Newsome of Empowering a Green Environment and Economy to uncover challenges and opportunities to advance energy efficiency and clean energy improvements in minority-owned buildings and businesses.

Supporting early adopters

Reaching the tipping point toward widespread, systemic change starts with turning possibility into practice. IMT works to support early adopters across the U.S.—community leaders, policymakers, building owners and operators, technology manufacturers and service providers—to pilot new practices by adapting recommendations for local community goals and geographic realities. We partner with market leaders to drive simultaneous action on multiple fronts, producing faster, wider market demand for better buildings.

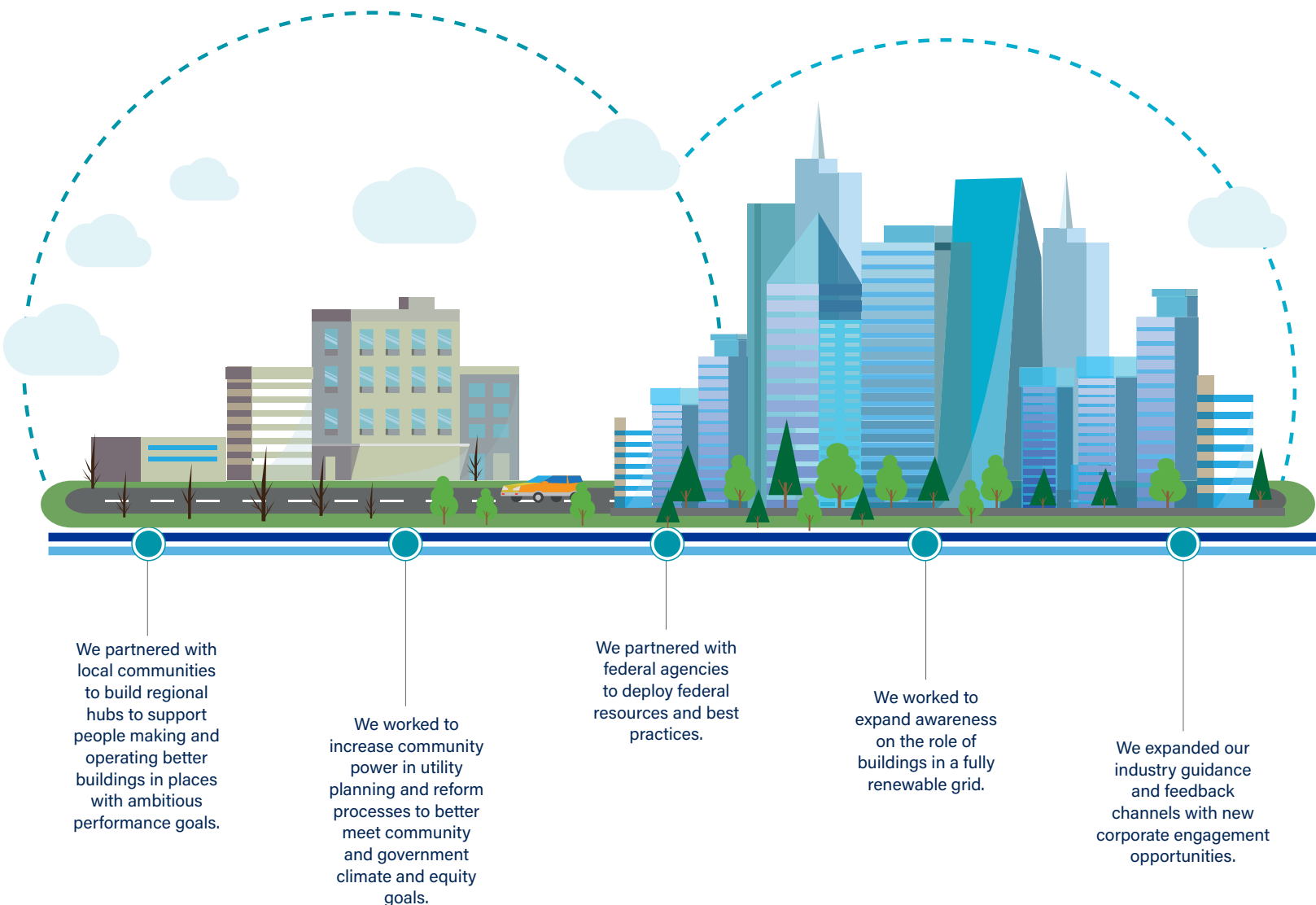


- **We worked to shift from traditional to community-led policymaking processes.** To support community engagement led by Verde and Coalition of Communities of Color in Portland, OR, and Poder Latinx and the NAACP Orange County, FL branch in Orlando, Florida, IMT **created several resources** to help educate community members on the importance of buildings in addressing climate change, what a building performance standard is, and how BPS can address energy burden. These resources were produced in both English and Spanish to increase accessibility. IMT facilitated engagement between both cities to encourage exchange of best practices and lessons learned.
- **We pioneered high-performance model lease language that helps landlords and tenants create a more equitable and collaborative set of lease provisions to comply with building performance policies.** We partnered with the New York City Climate Action Alliance to create a **new suite** of resources around performance-based leasing.
- **We helped expand the number of green leases in the U.S.** IMT's well-respected **Green Lease Leaders** program, which is run in conjunction with the U.S. Department of Energy, continued its year-over-year expansion in market space, building types, and practices covered. The 2021 cycle introduced criteria for multifamily properties for the first time, and the 2022 program launched a new Platinum tier of recognition to highlight companies including social equity practices into building operations. The Platinum tier also applies recommendations from IMT's **Framework for the Transformation of Real Estate**. By the end of 2022, Green Lease Leaders collectively managed over 5 billion square feet of commercial space.
- **We grew the number of building performance policies in the U.S. to 10.** Boston; Chula Vista, CA; the state of Colorado; and Denver all passed building performance standards in 2021, with the total number of BPS passed across the U.S. up to 10 by late 2022. In addition to working with Boston, Denver, and the Colorado Building Performance Standards Task Force in their policy development, we also worked alongside Montgomery County, Md., to develop and pass its BPS in early 2022. We continued to support jurisdictions in BPS implementation, including St. Louis and Washington, D.C., and published a comprehensive BPS Implementation Guide. For other communities considering BPS, IMT launched **imt.org/bps** to host a suite of resources that help local government leaders, real estate owners and practitioners, and communities understand the potential of BPS.
- **We grew benchmarking programs in number and scope.** Continued benchmarking policy adoptions and the resulting information gleaned from compliance are important stepping stones to prepare buildings for deeper, wider climate action. With IMT's assistance, Ann Arbor, Mich., and Indianapolis, Ind., became the latest U.S. jurisdictions to adopt benchmarking and transparency ordinances, joining more than 35 other jurisdictions with such policies.
- **We advised on how to advance building benchmarking to incorporate hourly data across the country.** Catalyzed by New York City's BPS, the **Benchmark 8760 project** aims to prove that hourly building energy data, grid emissions, occupancy, weather, and other data streams can be centralized into one platform. By creating a more holistic picture of building performance, such a data platform would enable building owners to make more effective investments in their buildings and local governments to create more nuanced building performance standards. IMT advised the project on how it could be valuable to building performance standard structures beyond NYC.
- **We kicked off systems-based retrofit demonstrations to show the potential for achieving deep energy savings and electrification in multiple climate zones.** In 2021 and 2022, we recruited building owners in New York state and Chicago to commit to completing demonstration projects of **very high efficiency (VHE) HVAC** upgrades. This work builds upon a successful pilot in the Northwest U.S., that showed how these highly efficient systems can deliver an average of 70% energy savings and 100% highly filtered outdoor air without increasing demand on the grid.

- **We helped identify significant energy savings for homeowners, and started working on tools to make these projections reality.** In 2021, we completed two studies in [Arizona](#) and [Utah](#) that showed increasing compliance with existing energy code could save homeowners over \$1 million in bills savings every year in both states. Now, we are developing a tailored education and training program to realize those savings.
- **We provided tools to increase engagement in local code adoption processes.** A two-part code adoption toolkit for the [Energy-Efficient Codes Coalition](#), published in 2022, provides a foundational overview to the code realm so readers can understand their starting point, make a code adoption plan, activate supporters, and get a stronger code to the finish line.
- **We created a toolkit and templates for cities to engage multifamily owners in reducing energy burden for low-income residents.** Addressing multifamily property energy use provides wins for many parties. However, there are challenges to upgrading these buildings, the most prominent being access to capital and the landlord-tenant split incentives. In partnership with the Power Clean Energy Ohio, IMT produced a [toolkit](#) to inform building owners of best practices to reduce energy burden for low-income residents. Cities supporting affordable housing efforts used the toolkit templates as a base, and then customized it to meet local needs and opportunities, including financing options and implementation recommendations.

Make it easier to act

Scaling up the positive impact of buildings requires identifying and concurrently advancing the financial, strategic, technical, and human infrastructure that makes it easier to modernize and decarbonize buildings of all shares, sizes, and uses nationwide. For IMT, this includes efforts such as enabling residents to more easily engage in utility and building policy decisions, supporting an inclusive clean energy workforce, and creating resource hubs so building owners, operators, and tenants can collaborate on building performance improvement.



- We partnered with local communities to build regional hubs to support people making and operating better buildings in places with ambitious performance goals.** In its second year of operation, IMT's [Building Innovation Hub](#) continued to assist the Washington, D.C.-Maryland-Virginia region with understanding and preparing for the District's building energy performance standard requirements. This included hosting an industry leadership forum, partnering with Emerald Cities Collaborative to produce [high-road contracting templates](#), producing [case studies](#) of leading local projects, and hosting a multifamily affordable housing accelerator workshop with the District Department of Energy & Environment and other technical partners to provide 1:1 guidance to property owners and managers across the District. Building upon lessons learned in D.C., we co-developed [Building Energy Exchange Kansas City](#) and [Building Energy Exchange St. Louis](#), both of which launched in early 2022. Similarly, in 2021 we partnered with the Illinois Green Alliance to kick off local market needs assessments to inform future Hub development in that jurisdiction. Across this work IMT and its partner, Building Energy Exchange, established the [Building Performance Partnership](#) to create a national support network that facilitates the expansion and effectiveness of place-based hubs.
- We worked to increase community power in utility planning and reform processes to better meet community and government climate and equity goals.** In partnership with the Regulatory Assistance Project, we [published a guide](#) on getting involved in the utility planning processes that help determine how utility resources are spent. The guide builds upon two years of work via the Bloomberg American Cities Climate Challenge in the City of Minneapolis to create and deploy a coalition of nearly 40 local governments in Xcel Energy's resource planning process to [advocate for climate and equity considerations in the plan](#). IMT also partnered with two community-based organizations in Portland, OR—Verde and the Coalition of Communities of Color—to [imbue local equity priorities](#) in Oregon utilities' distribution planning process. Across the U.S., our efforts drove change in jurisdictions that affect 3 million customers and over \$12 billion in annual utility bills.
- We partnered with federal agencies to deploy federal resources and best practices.** In 2021, we advised the White House Council on Environmental Quality (CEQ) on the 2022 formation of the [National Building Performance Standard Coalition](#). Following that work, IMT's director for the Building Innovation Hub, Lindsey Falasca, was also named Director for Net Zero Federal Buildings at CEQ. In other federal engagements, we advocated for the Securities and Exchange Commission to examine climate risk. We advised federal agencies, including the Department of Housing and Urban Development and the Environmental Protection Agency, to improve code requirements for housing. The EPA also continued to tap IMT for support, including review of a [Benchmarking and Building Performance Standards Policy Toolkit](#) for state and local governments, and continued improvements to ENERGY STAR Portfolio Manager. Our work garnered IMT a repeat award for ENERGY STAR Partner of the Year, Sustained Excellence.
- We worked to expand awareness on the role of buildings in a fully renewable grid.** IMT supplemented existing utility engagement by bringing cities and community-based organizations into conversations on building performance, and empowered local governments to think about the role of buildings in enabling a fully renewable grid. In partnership with the Urban Sustainability Directors Network, IMT formed an "Advancing Grid Flexibility for Local Governments" group to explore the nuances of building-to-grid integration. We also [wrote](#) and presented on how BPS will impact utilities, the grid, and planning.
- We expanded our industry guidance and feedback channels with new corporate engagement opportunities.** Designed to provide a deeper level of education and guidance to decision makers around the building policy landscape across the U.S., IMT launched a paid [Corporate Engagement Opportunities program](#). This program helps businesses understand how building performance policies will affect them and how to address market barriers to building improvements.

Putting it All Together: Community Climate Shift

Across the U.S., the climate crisis is already here. As both communities and governments seek solutions, we can work together to build new systems and structures that shift us all toward a future in which everyone thrives.

At the start of 2022, President Biden launched the [National Building Performance Standards Coalition](#) with the White House Council on Environmental Quality and more than 30 state and local governments. Coalition participants committed to inclusively design and implement equitable building performance standards and complementary programs and policies. In response, IMT and the People's Climate Innovation Center issued a call to action as governments across the country continue to commit to ambitious climate goals that require better buildings. Named **Community Climate Shift**, this effort seeks to bring together a coalition of local governments, communities, environmental justice leaders, decarbonization experts, and philanthropy to activate a widespread shift.

Community Climate Shift seeks to rectify traditional, siloed processes that have created and reinforced systems of harm. We are doing this by partnering with community-based organizations that are already deeply engaged in their communities, and committed to giving residents the space and power to influence building policy, and the future of their community. We seek to unlock the transformative solutions that emerge when communities have real input and co-governance of priorities and resources. This will require significant long-term investments from funders, and coordination with technical partners, cities, and other stakeholders.

The goal: To ensure that communities across the country have the resources they need to protect themselves against climate change through community ownership and better buildings.

How we Shift

Raising the bar by transforming policymaking to center community needs and ownership. People experiencing the first and worst consequences of the climate crisis have always known what they need. Those closest to the problem understand the solutions better than anyone. However, traditional policy making has often led to false solutions because it makes assumptions about the needs and challenges these communities face.

Community Climate Shift is committed to advocating community-driven climate solutions toward a **Just Transition**. We seek to help shift decades of government-led processes to center the knowledge and buy-in of those communities experiencing the biggest impacts of climate change in the development and implementation of climate solutions, including building performance standards. The team is actively evolving a community-oriented, frontline-accountable approach for the planning, design, and implementation of comprehensive local and state policymaking for the built environment. Through this initiative, we will:

Support early adopters by dramatically increasing the performance of buildings. Equitable and forward-thinking retrofit policies, such as building performance standards, are the instigating mechanism to increase the pace of renovation and create a more comprehensive definition of high-performing buildings. From the design and initial implementation processes of BPS in eight cities and states and equitable climate action processes underway in five cities, we are seeing how an inclusive, community-driven approach brings the benefits of building retrofits to frontline communities that are most impacted by energy burdens and poor air quality. In addition, this approach better supports the integration of housing affordability, health standards and protections for renters into local climate policy, and ensures that workforce training and economic opportunity is prioritized for small and People of Color-owned businesses.

Make it easier to act by building the infrastructure to retrofit for climate smart, healthy, resilient, and affordable buildings for all. Changing the process by which we create a retrofit policy can change how we build the infrastructure to implement retrofits, identify additional policy priorities at the state and federal levels, and surface opportunities to move investment capital equitably and at scale to high-performance buildings. Community Climate Shift seeks to leverage the work of our organizations and network of partners who are pioneering comprehensive building retrofit packages, implementing building retrofits

and clean energy initiatives at scale in frontline communities, unlocking utility investment in building improvements ahead of additional energy distribution infrastructure, and building pathways to economic inclusion in the building trades and clean energy space in communities across the nation.

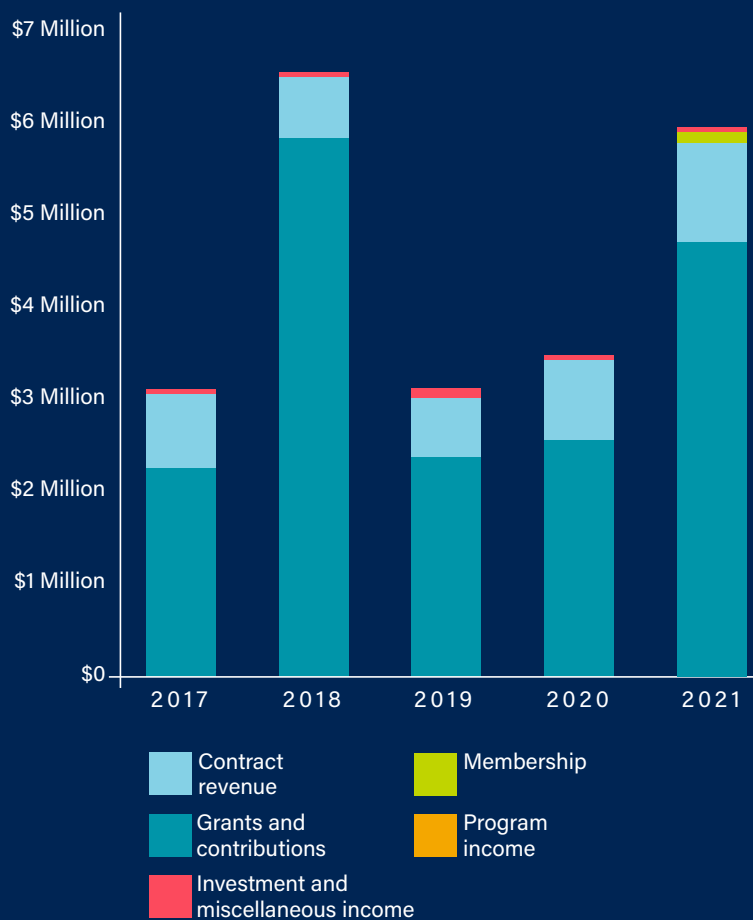
Learn more and join the shift at www.imt.org/community-climate-shift.



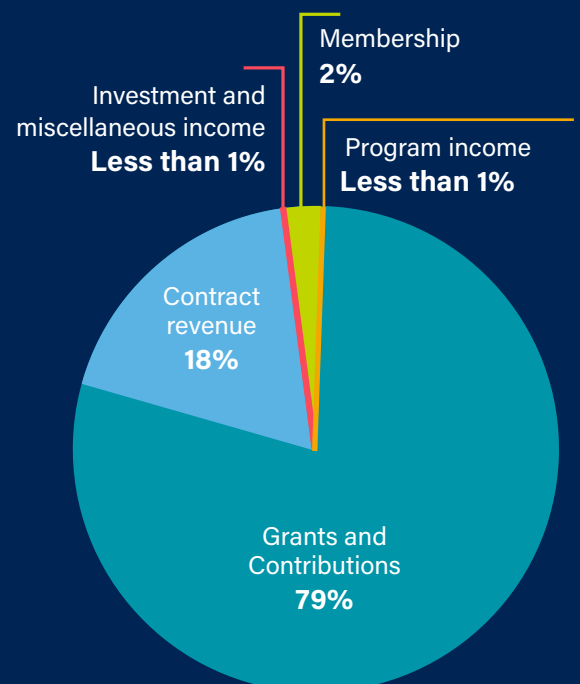
2021 Financials*

Revenue

IMT Revenue Trends

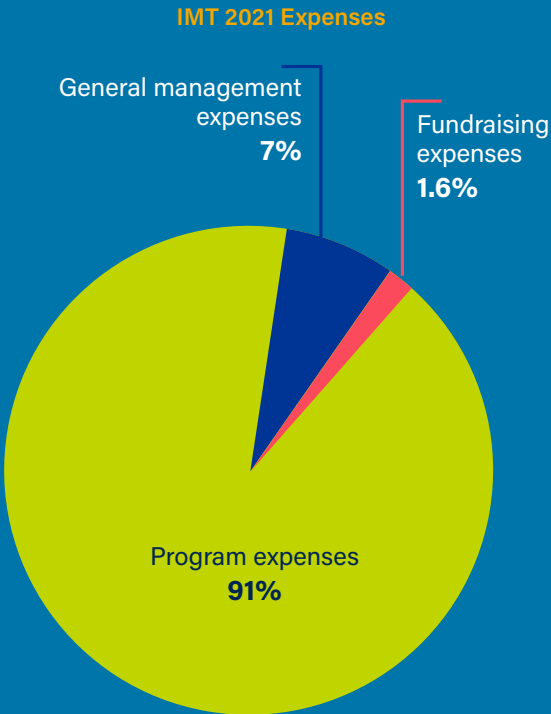
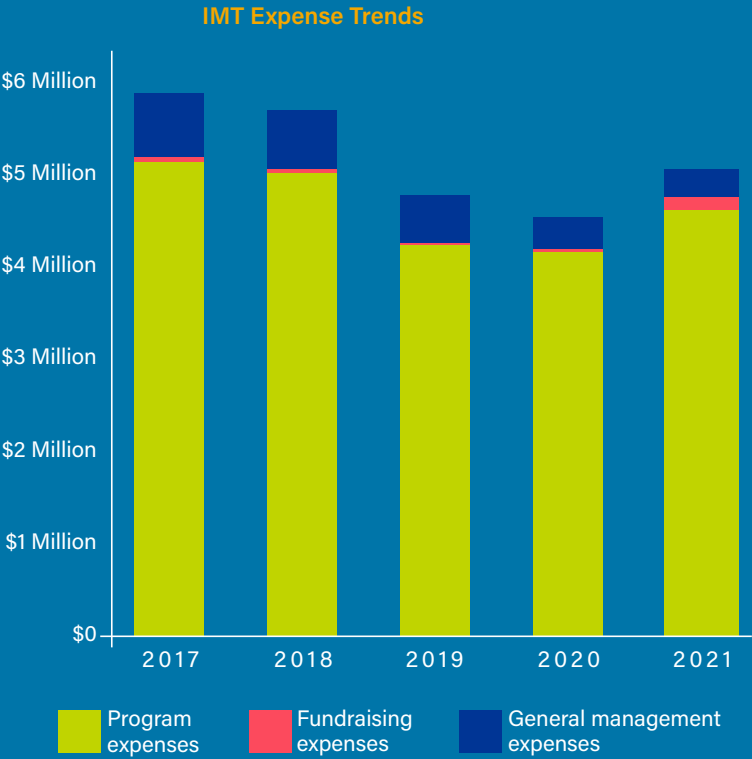


IMT 2021 Revenue



* 2022 Financials unaudited at the time of publication

Expenses



2021-22 Funders and Financial Supporters

Philanthropic, Grant, and Contract Funders¹

Bloomberg Philanthropies
Commonwealth Edison
District of Columbia Sustainable Energy Utility
District of Columbia Department of Energy & Environment
Energy Foundation
The Kresge Foundation
The Leon Lowenstein Foundation
New York State Energy Research and Development Authority
RE Tech Advisors
The Tilia Fund
U.S. Department of Energy
Yardi Systems, Inc.

IMT Corporate Supporters²

Aquicore
BrightPower
Corporate Sustainability Strategies
Johnson Controls, Inc.

RE Tech Advisors
Rockwool
Trane Technologies
Yardi

1. The 2021-2022 funder list comprises major grants, contracts, and awards that funded IMT work in 2021 and 2022.
2. IMT's corporate engagement opportunities offer participants regular updates on the building performance landscape and deeper engagement with IMT in exchange for financial support. In this program, IMT only provides insight and analysis on information that has been publicly announced. This list represents supporter of the program in 2021 and 2022, and includes participants who may not have participated in the program for both years consecutively.
3. Building Innovation Hub Members provide financial support to IMT specific to the continued growth and impact of the Building Innovation Hub in Washington, D.C. This list represents Hub supporters in 2021 and 2022, and includes supporters who may not have participated in the program for both years consecutively.

Building Innovation Hub Supporting Members³

**Transformer
\$15,000**

Arup

**Innovator
\$10,000**

Ameresco
DPR Construction

Havtech
Rockwool

**Partner
\$5,000**

Clark Construction
GHT limited
MaGrann

MD Energy Advisors
ReTech Advisors
Steven Winter Associates, Inc.

**Contributor
\$2,500**

Boland
HOK
PulseIQ

SB Sustainable Building Partners
Tower Companies
WSP
Yardi

Friend

AEG
DC BIA

NAPE
USGBC National Capital Region

OUR IMPACT IS STRONGEST WHEN CREATED IN PARTNERSHIP.

IMT generates 90% of its support from philanthropy. Large or small, your contribution helps IMT pilot new projects, respond to emerging opportunities, and scale proven solutions.

MAKE A GIFT TODAY.

Our Team

Spread across the U.S., IMT's staff bring together a wealth of lived experience and professional knowledge that informs our daily work. We are grateful for these varied perspectives and rich background.

13 States represented

60+ Cumulative years of experience in energy services and grid integration

40+ Cumulative years of experience in community engagement, advocacy, and climate planning

119 Years of combined experience in government relations and policy development

60+ Cumulative years of experience in real estate business practices

225+ Years in business and nonprofit management

Our Board of Directors

IMT's Board of Directors represent broad and deep expertise in driving market transformation. They are leaders in business innovation, public service, international development, and building science.



Adam Hinge

Board Chair
Managing Director,
Sustainable Energy
Partnerships



Sandra Henry

Board Treasurer,
Board Chair-Elect
Senior Director, Energy and
Sustainability, Elevate Energy



Bomee Jung

Board Secretary
Founder, Top Sight
Advisors



Jonathan Arnold

Founder and CEO
Arnold Development Group



Akshai Rao

Senior Vice President
Ancillary Services Yardi Systems



Carlton Brown

Principal
Direct Invest Development, LLC



Eric Walker

Climate Justice Advisor
New York State Energy Research
and Development Authority



Julia Gisewite

Chief Sustainability Officer
Turner Construction Company



Maureen Waters

Partner
Metaprop



David B. Goldstein

IMT Co-Founder and
Board Founding Chair
Co-Director, Energy Program,
Natural Resources Defense Council

