

# CITY OF BERKELEY

## Building Emissions Saving Ordinance (BESO) 2026 Program Update

Effective January 1, 2026



### WHAT IS BESO?

The Building Emissions Saving Ordinance (BESO) is a City of Berkeley program that reduces greenhouse gas emissions from existing buildings by integrating energy performance assessments and upgrade requirements into real estate transactions. The ordinance promotes energy efficiency, electrification, and building resilience.

### KEY CHANGES EFFECTIVE JANUARY 1, 2026

New Time-of-Sale Requirements for Single-Family Homes and Duplexes:

- **Home Energy Score (HES) Assessment Required**
  - A Home Energy Score must be completed by a registered BESO assessor before listing the property for sale.
  - The score must be disclosed on the MLS listing and included in seller disclosures.
  - Failure to comply may result in a City penalty.
- **Resilience Upgrade Requirement**
  - Properties must meet a minimum of six (6) resilience credits from a City-approved menu of upgrades.
  - Qualifying measures include, but are not limited to: heat pump space or water heating, electrical panel upgrades, insulation improvements, solar PV with battery storage, and EV charging infrastructure.
  - Upgrade responsibility may be completed by the seller or deferred to the buyer.

### COMPLIANCE PATHWAYS

#### *Option 1 – Seller Completes Upgrades Prior to Sale*

- Seller completes required upgrades and submits documentation to the City.
- A BESO Certificate of Compliance is issued and provided at closing.

#### *Option 2 – Defer Upgrades to Buyer*

- Seller completes the Home Energy Score and disclosures.
- A \$5,000 BESO upgrade deposit is placed in escrow at closing.
- Buyer has up to two (2) years to complete upgrades and obtain compliance.

#### *Option 3 – Heat Pump Compliance Pathway*

- Installation of qualifying heat pump systems serving the entire dwelling may satisfy the resilience requirement, subject to City verification.

### IMPACTED PROPERTIES & TIMING

- Residential buildings with 1–2 units: Time-of-sale requirements apply to transactions occurring on or after January 1, 2026.
- Residential buildings with 3–4 units: Requirements are scheduled to begin January 1, 2028.
- Certain property types, including condominiums and ADUs, may be exempt.



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