

**DOCKETED**

<b>Docket Number:</b>	19-BSTD-06
<b>Project Title:</b>	Local Ordinances Exceeding the 2019 Energy Code
<b>TN #:</b>	235508-1
<b>Document Title:</b>	Staff Report to City Council 1-16-20
<b>Description:</b>	Plain text of the 1-16-20 staff report to the Los Altos Hills City Council
<b>Filer:</b>	Danuta Drozdowicz
<b>Organization:</b>	Town of Los Altos Hills
<b>Submitter Role:</b>	Public Agency
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**SUBJECT:** INTRODUCTION OF AN ORDINANCE OF THE TOWN OF LOS ALTOS HILLS AMENDING CHAPTER 1.6 (ENERGY CODE) OF TITLE 8 (BUILDING REGULATIONS) OF THE LOS ALTOS HILLS MUNICIPAL CODE AND ADOPT BY REFERENCE LOCAL AMENDMENTS THAT REQUIRE THE ELECTRIFICATION OF SPACE AND WATER HEATING SYSTEMS IN NEW RESIDENTIAL BUILDINGS; FILE #MCA19-0005

**FROM:** Zachary Dahl, AICP, Planning Director

**APPROVED:** Carl Cahill, City Manager

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**RECOMMENDATION:** That the City Council:

Waive reading and introduce the Ordinance (Attachment 1) to amend Chapter 1.6 (Energy Code) of Title 8 of the Los Altos Hills Municipal Code and adopt by reference local amendments that require the electrification of space and water heating in new residential buildings based on special local conditions.

#### **BACKGROUND**

Reach code amendments to the 2019 California Energy Code are designed to de-carbonize new building construction in the state by encouraging the electrification of appliances in all new buildings which reduces overall carbon emissions, improves indoor air quality, and reduces fire risk. Many local jurisdictions have adopted, or are in the process of adopting, various iterations of these reach codes, including the outright banning of natural gas and propane appliances.

On December 4, 2019, staff presented three reach code options to the City Council (see Attachment 2). The three options were as follows:

**Option 1** – Require electric prewiring for heat-pump space heating systems, heat-pump water heating, appliances.

**Option 2** – Require heat-pump space heating, heat-pump water heating and clothes dryers to be electric but allows for cooking appliances and fireplaces to be gas fueled. In addition, it requires pre-wiring for all appliances.

**Option 3** – Require all-electric buildings by banning all new indoor gas infrastructure.

Following public comment, the City Council discussed the three options and voted 4-1 to direct staff to prepare a draft ordinance that would implement Option #2 and allow for gas clothes dryers along with gas cooking appliances and fireplaces.

## PROPOSED ORDINANCE

The proposed ordinance (Attachment 1) modifies language in sections of the Energy Code related to low-rise residential buildings. No code changes are proposed for non-residential buildings since this is not applicable to Los Altos Hills.

The ordinance language contains the following:

- Outlines the sections in the Energy Code that are applicable to the new regulations;
- Provides definitions for specific building types;
- Prohibits gas or propane space heating and water heating equipment in newly constructed residences, detached accessory dwelling units, and detached habitable structures;
- Requires that new buildings plumbed for gas or propane clothes dryers or cooking equipment require rewiring for each appliance;

The text in the ordinance includes the following format types:

- No formatting – This language is in the existing 2019 Energy Code;
- Text in ~~strikeout~~ format – Existing Energy Code language to be deleted;
- Text in underline format – Proposed additions to the Energy Code.

## DISCUSSION

The draft ordinance language was developed by staff using code language adopted by the City of Menlo Park and the model reach code language developed by Silicon Valley Clean Energy. The regulations ban new gas and propane space and water heating systems in new residential buildings and detached habitable structures and requires rewiring for future electric appliances when gas plumbing is proposed. It should be noted that the language outlined in Option 2 originally identified only heat-pump space and water heating equipment be permitted in place of gas fired equipment. Instead of specifically requiring only heat-pump technology, staff has chosen to modify the language to state “electrically heated” equipment in order to retain flexibility in the regulations with regard to future new technologies that may emerge as a result of these regulations. Regardless of the type electric technology used, all space and water heating systems must still meet the state’s strict efficiency standards.

## PUBLIC COMMENT

A public notice was placed in the Town Crier and posted in three public locations throughout the Town. Previous e-mails from residents that were received on the topic at the last meeting are included in Attachment 3.

## FISCAL IMPACT

Although there is no fiscal impact to the Town associated with adoption of the reach codes, the cost of construction would increase with the implementation of these energy code amendments.

### CEQA STATUS

The proposed ordinance amendments are exempt from California Environmental Quality Act (CEQA) pursuant to "general exemptions" described in Section 15061(b)(3) of the CEQA Guidelines, since the ordinance amendments would not have any significant effects on the environment.

### ATTACHMENTS

1. Draft Ordinance
2. December 4, 2019 Staff Report to the City Council on Energy Reach Codes
3. Public Comments

Staff report prepared by Steve Padovan, Principal Planner