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<th><strong>Docket Number:</strong></th>
<th>19-BSTD-06</th>
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<tr>
<td><strong>Project Title:</strong></td>
<td>Local Ordinances Exceeding the 2019 Energy Code</td>
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<td><strong>TN #:</strong></td>
<td>235509-1</td>
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<tr>
<td><strong>Document Title:</strong></td>
<td>City of San Mateo Staff Report</td>
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<tr>
<td><strong>Description:</strong></td>
<td>Plain text of the City Manager's report to the City Council dated 10-5-20</td>
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<td><strong>Filer:</strong></td>
<td>Danuta Drozdowicz</td>
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<td><strong>Organization:</strong></td>
<td>City of San Mateo</td>
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<td><strong>Submitter Role:</strong></td>
<td>Public Agency</td>
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<td><strong>Submission Date:</strong></td>
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<td><strong>Docketed Date:</strong></td>
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TO: City Council
FROM: Drew Corbett, City Manager
PREPARED BY: City Manager’s Department
MEETING DATE: October 05, 2020

SUBJECT: Building Electrification Reach Codes – Ordinance Adoption

RECOMMENDATION:
Adopt an Ordinance to require new residential buildings and buildings with office use be all-electric and encourage multifamily residential buildings that consist of 100% affordable units be all-electric.

BACKGROUND:
Jurisdictions can adopt local amendments that exceed the State’s Energy Code, often referred to as “reach codes”, to encourage more sustainable construction. The adoption of reach codes has been an important approach to meeting the City’s climate goals, reducing greenhouse gas emissions from the built environment and addressing building electrification in new construction.

At the July 20, 2020 City Council meeting, City Council directed staff to develop a reach code ordinance that requires new multifamily residential buildings be all-electric. The City Council also directed staff to return for further consideration of revising the City’s existing Electric Preferred Reach Codes to require single family and duplex homes and buildings with office use be all-electric.

At the September 21, 2020 City Council meeting, staff presented two alternative proposed ordinances to meet Council’s direction. The ordinance options were structured so that City Council would need to select one ordinance for introduction and adoption. Option #1 required new multifamily residential buildings be all-electric and retained the City’s adopted Electric Preferred Reach Codes for single family and duplex homes and office buildings. Option #2 required new residential buildings (including single family and duplex homes and multifamily residential buildings) and buildings with office use be all-electric.

City Council selected Option #2 and made a few revisions to the ordinance on the dais that are reflected in the proposed ordinance. City Council modified the ordinance to encourage multifamily buildings that consist of 100% affordable units be all-electric using the Electric Preferred Reach Code approach. All-electric multifamily buildings that consist of 100% affordable units would be required to be built to the Energy Code. Alternatively, mixed-fuel multifamily buildings that consist of 100% affordable units would need to exceed the Energy Code using a prescriptive or performance pathway as detailed in the proposed ordinance. Additionally, the City Council modified the ordinance to remove the exception for Accessory Dwelling Units, thus requiring newly constructed Accessory Dwelling Units be all-electric. The proposed ordinance contains both of these revisions.

This approach is proven to be cost-effective and is also analyzed in the Low-rise Residential New Construction Cost-Effectiveness Study, Mid-rise Residential New Construction Cost-Effectiveness Study, and Non-Residential New Construction Cost-Effectiveness Study.
BUDGET IMPACT:
The proposed local amendments will not have a budgetary impact on the City since the City is required to enforce the Energy Code and the local amendments will not be onerous to implement and track.

ENVIRONMENTAL DETERMINATION:
In accordance with CEQA Guidelines Section 15308, adoption of reach code ordinances is categorically exempt from CEQA as an action by a regulatory agency for the protection of the environment, because the reach codes are intended to reduce greenhouse gas emissions.

NOTICE PROVIDED
All meeting noticing requirements were met.

ATTACHMENTS
Att 1 – Proposed Ordinance
Att 2 – 9-21-2020 Proposed Ordinance #2 track changes

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