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**CORTE MADERA TOWN COUNCIL
STAFF REPORT**

REPORT DATE: June 14, 2024
MEETING DATE: June 18, 2024

TO: Honorable Mayor and Members of the Town Council

FROM: Phoebe Goulden, Climate Action and Adaptation Coordinator PG
Bernie Zipay, Chief Building Official

SUBJECT: First Reading and Possible Introduction of an Ordinance finding that Adoption of the Ordinance is Exempt from Environmental Review Pursuant to CEQA Guidelines; Amending Title 15 (Buildings and Construction) of the Corte Madera Municipal Code by Repealing the Existing Chapter 15.08 (Energy Code) and Adopting a New Chapter 15.08 Amending the 2022 California Energy Code to Require Higher Energy Performance for Certain Single Family Projects; and by Repealing the Existing Chapter 15.13 (Green Building Standards Code) and Adopting a New Chapter 15.13 Amending the 2022 California Green Building Standards Code to Require Enhanced Electric Vehicle Charging Infrastructure in New Construction and Certain Additions and Alterations; and Adopting Findings of Fact Supporting the Amendments to the Codes



RECOMMENDED ACTION:

Staff recommends that the Town Council, after reviewing all information, presentations, and public testimony, take the following actions:

- 1) Introduce the proposed ordinance (Attachment 1) finding that Adoption of the Ordinance is Exempt from Environmental Review Pursuant to CEQA Guidelines; Amending Title 15 (Buildings and Construction) of the Corte Madera Municipal Code by Repealing the Existing Chapter 15.08 (Energy Code) and Adopting a New Chapter 15.08 Amending the 2022 California Energy Code to Require Higher Energy Performance for Certain Single Family Projects; and by Repealing the Existing Chapter 15.13 (Green Building Standards Code) and Adopting a New Chapter 15.13 Amending the 2022 California Green Building Standards Code to Require Enhanced Electric Vehicle Charging Infrastructure in New Construction and Certain Additions and Alterations; and Adopting Findings of Fact Supporting the Amendments to the Codes by title only, and waive further reading of the ordinance.
- 2) Set a public hearing on the adoption of the proposed ordinance for the next regular meeting of the Town Council on July 16, 2024.

BACKGROUND:

The California Building Standards Code (Title 24 of the State of California Code of Regulations) is updated and published on a three-year cycle. The California Building Standards Commission publishes

the triennial codes, and State law mandates that these codes become effective throughout California 180 days after the publication date. The current (2022) cycle of State building codes became effective on January 1, 2023. Local jurisdictions may amend the published codes to address local climatic, geological, or topographical conditions. These amendments are called reach codes because they exceed or “reach” beyond the requirements of the State’s base code.

In 2022, Marin County staff led the development of a set of three reach codes: 1. All-electric new construction, 2. Single-family remodel energy reach code, and 3. Enhanced electric vehicle (EV) requirements for new construction and certain remodels. The County conducted an extensive engagement process during code development, including a technical advisory committee with the Town’s building official, focus group interviews with various developers including builders of affordable housing, a community survey, and a public workshop.

Staff, as well as the Climate Action Committee, evaluated the County’s model reach codes in fall 2022 as part of the triennial building code adoption process. After discussions at its meetings of September 21 and October 26, 2022, the Committee unanimously recommended that the Town Council incorporate all the model reach codes, including those applicable to remodels of existing buildings, in the adoption of the 2022 building code. Staff recommended adoption of only the requirements for new construction, to allow time for more community outreach on the renovation portion of the codes.

At the [November 1, 2022 Town Council meeting](#), the Council elected to adopt only the portion of the reach codes that pertain to new construction, in accordance with staff’s recommendation. Council directed staff to conduct additional community outreach and analysis on the renovation requirements and bring back a recommendation to Council by summer 2023.

Community Engagement and Advisory Body Review

Staff conducted additional analysis and community outreach on several renovation reach codes in spring/summer 2023. In addition to the renovation requirements developed by the County, staff was, at that time, considering two updates to the Town’s existing codes to 1. add a 50% renovation threshold to the Town’s existing all-electric new construction ordinance and 2. prohibit the expansion of natural gas infrastructure in existing homes.

Community engagement opportunities included a hybrid [community workshop](#) on May 24, 2023, an online survey, and a tabling event at the Farmers Market on May 10, 2023. Ahead of the workshop, the Town mailed a postcard with information about the potential code changes and upcoming community workshop to all residents in Town and approximately 60 local contractors. Information about the workshop was also posted on the Marin Builders Association online [event calendar](#). The workshop and other engagement opportunities were advertised through various additional mediums, including the Town newsletter, social media, Community Center readerboard, and at the Farmers Market event. The [project webpage](#) was also regularly updated with event information.

The community workshop had about 14 attendees, and the recording of the workshop on YouTube has over 50 views. The online survey received 25 responses. Overall, the feedback received was mixed, with many respondents supportive of the Town taking steps to prepare for future electrification, but a lack of consensus on specific proposed actions. Survey respondents and commenters at the workshop were most supportive of enhanced EV requirements, especially for multifamily and nonresidential properties.

At the [May 31, 2023 Special Meeting of the Climate Action Committee](#), the Committee received a presentation on the potential code changes and community feedback received at the workshop on May 24. The Committee was supportive of the code changes presented, as well as exploring increased requirements for single-family renovations beyond the County's model code.

At the [July 11, 2023 Planning Commission meeting](#), the Commission received a presentation on the draft code changes and provided comments and feedback to staff. A summary of feedback received from the Planning Commission was provided in the Climate Action Committee staff report of July 19, 2023 and can be viewed in the [agenda packet for this meeting](#).

The Climate Action Committee reviewed draft codes incorporating community and Committee feedback and discussed Planning Commission feedback at their [July 19, 2023 meeting](#). The Policy Ad-hoc Subcommittee (Johnson, Alden, Simon) also reviewed these draft codes in detail following this meeting and reported at the [August 16, 2023 Committee meeting](#) that they recommended that they be adopted as written.

The Committee did not make a formal recommendation to Council at that time due to uncertainty created by *California Restaurant Association v. City of Berkeley*. This case started in 2019 when the California Restaurant Association filed suit against the City of Berkeley, claiming that their ordinance banning natural gas in new construction was in conflict with federal law. In April 2023, a three-judge panel of the Ninth Circuit Court of Appeals ruled on this case, finding that Berkeley's ordinance was preempted by the federal Energy Policy and Conservation Act (EPCA). The City of Berkeley appealed this decision and asked for an *en banc* review by the Ninth Circuit. In January 2024, the Ninth Circuit Court decided not to rehear the case, leaving the April 2023 decision in effect and binding for all jurisdictions within the Ninth Circuit, including Corte Madera.

At the May 15, 2024 Climate Action Committee meeting, the Committee reviewed a revised renovation reach code ordinance, drafted following the final ruling in *California Restaurant Association v. City of Berkeley*. This ordinance included two reach codes: a single-family building remodel energy reach code and an electric vehicle readiness and infrastructure renovation reach code. Other code changes that were under consideration last year (revising the definition of new construction in the Town's all-electric ordinance and limiting the expansion of natural gas infrastructure) are no longer feasible under the ruling and were not included in the ordinance. The Committee unanimously recommended that Town Council adopt the proposed ordinance and direct staff to monitor implementation and bring back recommended adjustments as needed during the 2025 code cycle.

DISCUSSION:

The proposed renovation reach code ordinance is provided as Attachment 1. Minimal changes have been made to these codes since the Climate Action Committee reviewed them in May. The changes include minor text edits for clarity and consistency with State and other jurisdictions' reach codes and legally necessary changes, including removing exemptions for all-electric buildings from the energy reach code and revising EV codes to maintain State code standards as the minimum requirement.

The ordinance includes two reach codes: a single-family building remodel energy reach code and an electric vehicle readiness and infrastructure renovation reach code. Both are discussed in detail below.

Single-Family Building Remodel Energy Reach Code

The proposed energy reach code requires that additions and alterations which equal or exceed 750 square feet of floor area in single-family homes achieve a target energy savings score, which varies based on building vintage. The code provides a list of energy efficiency and electrification measures that homeowners may select from to meet the target energy score (refer to Attachment 1, Section 3, Table 1B). The measure options include improvements such as increasing attic and water heater insulation, replacing gas appliances with electric heat pump appliances, and solar plus electric readiness measures. Measures that already exist in the home may be counted towards meeting the target score if they meet the requirements specified in the ordinance. Projects that include a laundry room or kitchen remodel, or an electrical service panel upgrade, must also install electric readiness measures to prepare for future installation of electric appliances. All projects are required to install LED lightbulbs, if not already present, and photocell controls on exterior lights.

The proposed reach code includes several exemptions to provide flexibility, including for low-income residents (refer to Attachment 1, Section 3). Buildings constructed on or after January 1, 2011 are exempt from all requirements, as these buildings are substantially more energy-efficient than older buildings. Additionally, resident owners enrolled in the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) Programs are exempt from meeting the target energy savings score, but must still install lighting and water heater insulation measures. The Building Official has the authority to reduce or waive requirements in unique situations where compliance is technically or economically infeasible. Staff intend to implement an exemption form process to ensure such requests are standardized.

The proposed reach code has a few key differences from the County's single-family building remodel energy reach code. The County's reach code sets slightly different target and measure scores for each of the two Climate Zones in Marin County. For simplicity, staff propose to use the values for Climate Zone 3 for all of Corte Madera, as only a small portion of the Town falls within Climate Zone 2.¹

For each Climate Zone, the County's code sets just one target score for all buildings built before 2011. In contrast, the model code developed by the Statewide Codes and Standards Reach Codes Team, which the County modeled their reach code on, sets different target scores based on building vintage. The three building vintages, pre-1978, 1978-1991, and 1992-2010, correspond with different periods in the State's Energy Code, and therefore homes with different energy efficiency profiles. By expanding the building vintages, older homes will have more measures to choose from to comply with the reach code, as some measures, like wall and floor insulation, are only cost-effective in older vintages. Additionally, the measure scores will reflect the increased energy savings from insulation and weatherization improvements in older buildings. For these reasons, staff recommends expanding the building vintages, as shown in the draft ordinance. The City of San Rafael also took this approach in their recently adopted remodel energy reach code.

For consistency, staff plans to calculate added/altered square footage using the same methodology that the Fire Department uses when determining whether fire sprinklers are required in major remodels. Alterations such as moving or replacing a wall and removing drywall or other wall coverings would cause the affected floor area of adjacent rooms to be counted towards the 750 square foot threshold. Staff does not have data on how many projects would reach this threshold but estimate it to be fewer than 30

¹ The California Energy Commission determines these climate zones: <https://www.energy.ca.gov/programs-and-topics/programs/building-energy-efficiency-standards/climate-zone-tool-maps-and>.

projects a year. These would be larger projects involving additions and renovations of multiple rooms in a building.

This reach code is an amendment to the 2022 California Energy Code (Part 6 of Title 24) and, as such, is required by the State to be cost-effective over the lifetime of the measures. The Statewide Reach Codes Team has completed [studies](#) demonstrating the code's cost effectiveness (see Exhibit A of Attachment 1). The upfront cost of compliance varies significantly depending on home features and which energy efficiency and/or electrification measures are selected by the homeowner. However, the cost of compliance with this reach code is expected to comprise a small percentage of overall project cost (about 3-5%) for most renovation projects. See Attachment 2 for more information on measure cost and cost-effectiveness. Many of the measures in the code may also be eligible for rebates and/or tax credits.

Staff views this code as a starting point to begin to address emissions from existing buildings. It is estimated that enacting this reach code would reduce GHG emissions from buildings complying with the reach code by between 9-24% compared to business as usual, depending on home vintage and selected measures. Although the code may not impact many buildings at first, staff will be able to monitor implementation as it is applied and suggest modifications to improve the code and potentially expand its impact in the future.

The Climate Action Committee had several suggestions for how this reach code could be modified in the future. The Committee was interested in reducing the threshold for triggering the energy reach code, which is currently set at 750 square feet, the same as the County's code. Of the four other Marin jurisdictions that have adopted the renovation reach code, two have lowered the threshold from the County's – San Anselmo (lowered to 200 square feet) and San Rafael (lowered to 500 square feet while also reducing the required target energy saving scores). The Committee also requested that staff explore the possibility of adding lower cost measures to the measure menu and research grant funding that could support low-income residents in complying with the reach code. Staff recommends researching these potential modifications and monitoring implementation between the ordinance's effective date and the next code cycle.

Electric Vehicle Readiness and Infrastructure Renovation Reach Code

The proposed electric vehicle (EV) renovation reach code is an amendment to the 2022 California Green Building Standards Code (Part 11 of Title 24, also known as CALGreen). In November 2022, when the Town Council adopted the 2022 California Building Standards Code with Ordinance No. 1022, the ordinance included a local amendment (reach code) to increase requirements for electric vehicle charging infrastructure in newly constructed buildings. Since then, the California Building Standards Commission has released the 2022 Intervening Code Adoption Cycle changes, which go into effect on July 1, 2024.

The 2022 Intervening Code includes substantial changes to the EV requirements in CALGreen for multifamily, hotels and motels, and nonresidential building types. In some cases, the Intervening Code requirements exceed the requirements of the new construction EV reach code already adopted by Town Council. Although no action is needed by local jurisdictions for the Intervening Code to go into effect, because additional modifications to CALGreen were needed to add renovation EV requirements, staff felt that making these modifications to the Intervening Code would be clearest.

The proposed ordinance revises the Town's new construction EV requirements, keeping only those that still exceed the 2022 Intervening Code, and adds EV readiness and infrastructure requirements for certain

renovation projects (refer to Attachment 1, Section 4). The renovation EV requirements match Marin County's EV reach code, summarized in Table 1, except for the following differences:

- The draft code removes the option for multifamily buildings and hotels and motels that modify their parking lot to comply by installing conduit to 50% of added or exposed parking spaces. Instead, such modifications are required to add conduit to 20%, and chargers to 5%, of added or exposed spaces. This modification is based on community feedback received and is similar to the Intervening Code requirements for nonresidential building alterations.
- The draft code does not include the County’s nonresidential renovation triggers. The Intervening Code adds renovation triggers for nonresidential renovations, which were not present in the 2022 Triennial Code. Staff feels that these triggers are comparable to the Marin County reach code requirements and do not require modification.

Table 1. Summary of Marin County Renovation EV Requirements Compared to 2022 Intervening Cycle Base Code

Building Type	Marin County Enhanced EV Requirements	“Base” CALGreen
Single-family homes, duplexes, and townhouses with attached private garages	If project upgrades the main electrical service panel, install a 40 ampere, 208/240 volt dedicated EV branch circuit, capable of supporting a Level 2 EV charger, terminating in a receptacle or charger in close proximity to the vehicle charging area.	CALGreen only applies when new conditioned space is added, within the area of the addition/alteration.
Multifamily	<p>If project upgrades the main electrical service panel, add electrical capacity for 20% of onsite parking spaces to be Level 2 EV.</p> <p>If parking lot surface is modified by removing paving material or curbing, or when parking spaces are added:</p> <ul style="list-style-type: none"> • Add conduit to at least 50% of added or exposed parking spaces <u>OR</u> • Add conduit to at least 20% of added or exposed spaces and install min. 5% Level 2 or Level 3 chargers. 	If a multifamily parking lot surface is modified, add conduit to at least 10% of added or altered spaces.
Hotels and motels	Same as multifamily	No requirements

Nonresidential	Same as multifamily	When an electrical panel upgrade occurs during certain addition or alterations or when solar is installed over parking spaces, add ~20% EV capable and ~5% charging stations to added or altered parking spaces.
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Reach codes are one strategy that can help the Town reach its goal of reducing greenhouse gas (GHG) emissions 40 percent below 1990 levels by 2030, as set forth in the Town’s 2020 Climate Action Plan. According to the Town’s most recent GHG inventory, for the year 2022, the two largest sources of emissions in Corte Madera are transportation, at 72 percent of emissions, and building energy use, at 25 percent of emissions. The proposed code changes outlined above address these two major sources of emissions by requiring energy savings in homes and increasing EV charging infrastructure during renovation projects. They relate to several specific measures included in the Town’s Climate Action Plan, including CAP 1-4 Energy Efficiency, CAP 1-7 Building and Appliance Electrification, and CAP 2-5 Electric Vehicles. Reach codes have also been prioritized by the Climate Action Committee on staff’s [2024 Climate Action Work Plan](#) as the second priority item, “Propose additional green building ordinance.”

In addition to reducing emissions now, these codes contain measures that can help residents reduce emissions more easily in the future. The energy reach code contains electric readiness measures for projects that include a laundry room or kitchen remodel, or an electrical service panel upgrade, to prepare for future installation of electric appliances. The EV reach code is focused on adding conduit and electrical infrastructure for future installation of EV charging stations. By installing electric infrastructure when it is most cost-effective, during major renovations, residents and businesses will be well positioned to transition to electric appliances and vehicles in the future.

These reach codes can also help Corte Madera prepare for state and regional regulations that will be going into effect in the coming years. The California Air Resources Board (CARB) will require all space and water heaters sold in the state to be zero-emission by 2030 in order to meet federal health-based standard for ozone, a major component of smog. This requirement will be implemented sooner in the Bay Area, with the Bay Area Air Quality Management District (BAAQMD) ruling that all water heaters sold or installed in the Bay Area must be zero-emission by 2027, and space heaters by 2029. The electric readiness measures in the single-family renovation energy reach code can help prepare residents for these upcoming regulations by requiring electrical wiring and/or capacity improvements during planned renovations, making the transition to electric appliances easier and less costly in the future.

Beginning in 2035, California will require all cars and light-duty trucks sold in the state to be zero-emission, part of an effort to address the largest source of GHG emissions in California and many California jurisdictions, including Corte Madera. Already, 40 percent of new vehicles purchased in Marin County are zero-emission, demonstrating that our vehicle population is already transitioning away from internal combustion engine (ICE) vehicles. Increasing EV charging opportunities in Corte Madera supports both residents wishing to transition their vehicles to electric and visitors who want to charge their vehicles while shopping or dining in Corte Madera.

Reach codes must be readopted every three years when the State Building Code is updated. The 2022 Triennial Code has been in place since January 1, 2023, meaning that the Town will have the opportunity to reevaluate these reach codes in approximately 18 months and adjust as necessary. Staff will monitor implementation between now and the next code cycle and bring any recommendations to Council when the 2025 building code is adopted.

FISCAL IMPACT:

None.

WORK PLAN:

This item relates to project 9 on the Town of Corte Madera 2024 Staff Work Plan, “Consider new strategies to reduce building emissions in light of CA Restaurant Assoc. v. City of Berkeley Ruling and discuss options with CAC and TC.”

ENVIRONMENTAL IMPACT:

This action is exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3) in that the standards set forth in the ordinance are more protective of the environment than the California Energy Code standards, and there is no possibility that the activity in question may have a significant effect on the environment. As a separate and independent basis, this action is exempt from CEQA pursuant to CEQA Guidelines Section 15308 in that the standards set forth in the ordinance assure the maintenance, restoration, enhancement or protection of natural resources and the environment.

OPTIONS:

1. Introduce the ordinance as proposed.
2. Instruct staff to revise the proposed ordinance and return to the Council for introduction of the revised ordinance.
3. Take no action at this time and provide further direction to staff.

ATTACHMENTS:

1. Proposed ordinance including Exhibit A (Cost-Effectiveness Study Links) and Exhibit B (Expressly Marked Amendments)
2. FAQs: Single Family FlexPath Reach Codes

THIS ITEM HAS BEEN REVIEWED AND APPROVED BY THE TOWN MANAGER.