

## DOCKETED

<b>Docket Number:</b>	16-BSTD-07
<b>Project Title:</b>	Local Ordinance Applications - 2016 Standards
<b>TN #:</b>	215821-3
<b>Document Title:</b>	Mill Valley 12-1-16 Staff Report re: Proposed Ordinance
<b>Description:</b>	To Update to Green Building Regulations
<b>Filer:</b>	Ingrid Neumann
<b>Organization:</b>	City of Mill Valley
<b>Submitter Role:</b>	Public Agency
<b>Submission Date:</b>	2/8/2017 4:33:01 PM
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**STAFF REPORT**

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3 **TO:** Mayor and City Council  
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5 **FROM:** Danielle Staude, Senior Planner  
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7 **VIA:** Vin Smith, Director of Planning and Building  
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9 **SUBJECT:** Proposed Ordinance to Update to Green Building Regulations  
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11 **DATE:** January 3, 2017  
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14 **Approved for Forwarding:**

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17 **James C. McCann, City Manager**  
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19 **ISSUE:**

20 Consideration of an ordinance to amend Title 14 “Building and Construction” and Title  
21 20 “Zoning” of the Mill Valley Municipal Code to 1) add Chapter 14.48 establishing  
22 green building requirements and 2) delete Chapter 20.95 “Green Building” of the  
23 Municipal Code  
24

25 **RECOMMENDATION:**

26 Introduce Ordinance and waive first reading.  
27

28 **BACKGROUND:**

29 In 2008 the City of Mill Valley adopted Green Building requirements for certain  
30 residential and commercial development projects. Since that time, the State has begun to  
31 implement its own green building regulations through the California Building Standards  
32 Code (“Building Code”). In 2010, the Building Code established the California Green  
33 Building Standards Code, known as “CalGreen” (Title 24, Part 11 of the State’s Code of  
34 Regulations). These new 2010 CalGreen provisions were developed by the California  
35 Building Standards Commission, Department of Housing and Community Development,  
36 Division of the State Architect and the Office of Statewide Health Planning and  
37 Development.  
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41 The CalGreen Chapter contains:

- 42 • Mandatory measures for “new or newly constructed” residential and non-  
43 residential buildings and
- 44 • Supplemental requirements, known as “Tier 1” and “Tier 2” that build upon the  
45 CalGreen requirements, providing more stringent requirements. For instance,  
46 Tier 1 requires an additional 15% reduction in energy efficiency and Tier 2  
47 requires an additional 30% reduction in energy efficiency over the basic  
48 CalGreen requirements. ***Note that a local jurisdiction must adopt local  
49 amendments identifying the tiers a jurisdiction intends to adopt based on  
50 topographical, geological and environmental considerations.***

51

52 The State Building Code is updated every three years, and is moving toward its third  
53 update of the CalGreen Code (2010, 2013, 2016 Building Code Updates) with the  
54 upcoming 2016 Code Update going into effect January 1, 2017.

55

56 Similar to other building code requirements, CalGreen requirements have progressed  
57 with each Building Code update. In fact, the California Public Utilities Commission and  
58 California Energy Commission setting a policy goal of “Zero Net Energy” for all new  
59 residential structures by 2020 and all new commercial buildings by 2030.<sup>1</sup> While  
60 CalGreen addresses “new or newly constructed” buildings, the State continues to increase  
61 building code regulations for smaller projects through other building code requirements  
62 including fire safety, water conservation and energy efficiency requirements.

63

64 Local jurisdictions have begun to discuss and adopt “reach codes” or optional  
65 construction standards for energy efficiency that exceed the requirements of the state’s  
66 mandatory codes. Reach codes cover a number of topic area including lighting design,  
67 mechanical systems, structural design, plumbing, and more. Currently the City is working  
68 with all of the local Marin County jurisdictions to develop reach codes, outside of the  
69 tiers, that would increase green building regulations, such as requiring mandatory solar  
70 and requiring electric charging set ups for new construction.

71

72 ***The California Building Standards Commission (BSC) reviews all green building  
73 regulations and also requires that the California Energy Commission (CEC) review  
74 energy-related green building regulations (beyond mandatory CalGreen requirements)  
75 to determine that the measures are cost effective based on local climate and  
76 environmental conditions.***

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78 On November 15, 2016 Mill Valley Planning Commission unanimously recommended  
79 approval of the draft Ordinance (ATTACHMENT 1), for City Council review and  
80 adoption (Resolution PC16-16).

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<sup>1</sup> “Net Zero Energy” means the amount of energy used on site is equal to the amount of energy produced on-site from a renewable energy system over the course of one year.

84 **DISCUSSION:**

85 The City of Mill Valley has a history of leadership in its environmental stewardship and  
86 sustainability initiatives, including its green building ordinance adopted in 2008. Based  
87 on the State’s commitment in addressing green building regulations, staff is interested in  
88 utilizing the CalGreen regulations while also taking advantage more aggressive “tiers”  
89 that can be adopted by a local jurisdiction to address local environmental concerns.

90  
91 Many surrounding local jurisdictions are making the transition from green point  
92 checklists established by organizations such as LEED and Build It Green to CalGreen to  
93 allow consistency across jurisdictions and reduce confusion between the state and local  
94 green building requirements. Since the regulations are directly related to the Building  
95 Code and construction, staff proposes incorporate the requirements into the Title 14  
96 “Building and Construction” rather than Title 20 “Zoning” of the Municipal Code.

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98 **Existing Residential Green Building Requirements**

99 Mill Valley’s current green building requirements are broken down into two main  
100 categories: 1) minor additions allowing for voluntary compliance with a third party  
101 (Build It Green) checklist; and, 2) major additions requiring compliance with a third party  
102 checklist and rater (Build It Green or LEED) to verify compliance with the green building  
103 requirements. See ATTACHMENT 2 for details.

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105 **Proposed Residential Green Building Requirements**

106 With the State’s progress in addressing green building regulations in its CalGreen Code  
107 (including its Tiers), staff proposes to transition from the Build It Green and LEED  
108 checklist to the State’s CalGreen Checklists. This is consistent with other local  
109 jurisdictions including Novato, Sebastopol and Sonoma County. See ATTACHMENT 1  
110 for the draft ordinance and ATTACHMENT 3 for a draft handout summarizing the  
111 proposed green building regulations.

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113 CalGreen, Tier 1. Based on Building Code requirements, a cost-effectiveness study was  
114 conducted (ATTACHMENT 4), demonstrating that the City of Mill Valley can adopt the  
115 following:

- 116 • **Single-Family Residential development projects:** Tier 1, as outlined in the  
117 Building Code at a 15% reduction in energy efficiency above the basic CalGreen  
118 requirements,
- 119 • **Multi-Family Residential development projects:** Tier 1, with a 10% reduction  
120 in energy efficiency above the basic CalGreen requirements (in order to satisfy  
121 the cost-effectiveness requirement), and
- 122 • **Non-Residential development projects:** Tier 1, without energy efficiency  
123 measures as the cost-effectiveness analysis determined that such measures were  
124 not cost effective for non-residential development projects.
- 125 • **Mixed-Use development projects:** Application of the above, based on the  
126 proposed use of the area (residential vs. non-residential).

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128 Applicable Projects. As part of the ordinance update, staff has verified with the California  
129 Energy Commission that “major remodels” can be incorporated into the definition of

130 “newly constructed” buildings, which will allow the City to continue to require  
131 mandatory green building requirements for large projects, as the City does today through  
132 its existing green building ordinance.

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134 Because the 2016 Building Code builds upon and continues to increase its construction  
135 standards for fire safety, water conservation and/or energy efficiency for existing  
136 structures, minor construction projects may not require additional green building  
137 requirements or may not even satisfy the CEC cost-effectiveness requirements for energy  
138 efficiency measures. Staff intends to coordinate with other local jurisdictions to  
139 determine if additional green building measures are needed for smaller development  
140 projects.

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142 Compliance Process.

143 The green building measures are identified through a checklist, similar to the way in  
144 which the current green building regulations function in Mill Valley and maintain a  
145 similar process of hiring certified green building raters to verify that the green building  
146 regulations are satisfied. The rater must provide documentation prior to issuance of a  
147 building permit and verify compliance with the CalGreen/Tier 1 requirements prior to  
148 final inspection, and can be part of the project team.

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150 Next Steps:

151 Second reading of the ordinance is scheduled for January 3, 2017 and will become  
152 effective 30 days after adoption. A summary of this ordinance will be published in the local  
153 newspaper after first reading and within 15 days of adoption, as required by state law.

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155 Once adopted, staff is required to file the adopted ordinance with the CEC for a 60-day  
156 public comment period administered by the CEC. This will provide additional time and  
157 outreach opportunities for staff to coordinate and discuss the upcoming changes to the  
158 green building regulations with local contractors and design professionals. Staff will be  
159 asked to respond to public comments on an as-needed basis. After the close of the 60-day  
160 public comment period, the CEC may request modifications to the Ordinance. Staff will  
161 report back to City Council, should the CEC request changes to the Ordinance.

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163 The City of Mill Valley also continues to coordinate with the Marin Climate and Energy  
164 Partnership (MCEP) on innovative Green Building approaches. The City is currently  
165 working on additional green building “reach codes” that will allow for comprehensive  
166 and coordinated policy work on ordinance updates such as solar requirements or  
167 mandatory electric vehicle charging requirements.

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169 Fiscal Impact:

170 There is no fiscal impact to the City should certified green building raters be used to  
171 satisfy Green Building requirements. Financial impact to applicants will be similar to  
172 existing green building standards, which include the cost of hiring a green building rater  
173 to verify the project satisfies green building requirements, should the project team not  
174 include a LEED or Build It Green certified rater.

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176 **Environmental Review:**

177 This action is exempt from the California Environmental Quality Act under CEQA  
178 guidelines section 15308 as an action by the City for protection of the environment.

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180 **Attachments:**

- 181 1. Proposed Ordinance  
182 2. Existing Mill Valley Green Building requirements (MVMC 20.90)  
183 3. Draft Handout: Summary of proposed Green Building Requirements and Green  
184 Building Signature Page.  
185 4. Cal Green Cost Effectiveness Study

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187 **GENERAL PLAN COMPLIANCE:**

188 Updates to the green building regulations address and comply with several aspects of the  
189 General Plan, including:

- 190 • Climate Program 1-5: Update the City's green building ordinance to support best  
191 practices and other available green building standards to conserve energy and  
192 resources.

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194 **ONLINE RESOURCES:**

- 195 • "What's Changed" fact sheets (energy code):  
196 <http://energycodeace.com/content/resources-fact-sheets/>  
197 • Overview of Changed to CalGreen and Tiers with each Code Update:  
198 <http://green-technology.org/gcsummit16/images/4-Triennial-Update.pdf>