

**City of Sacramento**  
Law and Legislation Committee Report  
915 I Street, 1st Floor  
Sacramento, CA 95814  
www.cityofsacramento.org

---

File ID: 2022-01260

8/16/2022

Discussion Item 4.

---

**New Building Electrification Ordinance - Proposed Framework**

File ID: 2022-01260

**Location:** Citywide

**Recommendation:** Review and comment on the proposed framework and approach to align the New Building Electrification Ordinance with the 2022 California Building Standards Code.

**Contact:** Helen Selph, Associate Planner, (916) 808-7852, hselph@cityofsacramento.org, Matt Hertel, AICP, Principal Planner, (916) 808-7158, mhertel@cityofsacramento.org; Community Development Department

**Presenter:** Helen Selph, Associate Planner, (916) 808-7852, hselph@cityofsacramento.org, Community Development Department

**Attachments:**

1-Description/Analysis

2-New Building Electrification Ordinance - Proposed Framework

**Description/Analysis**

**Issue Detail:** On June 1, 2021, City Council adopted the New Building Electrification Ordinance which adopted local amendments to the California Building Standards Code and added to and amended various provisions of Title 15 (Buildings and Construction) of the Sacramento City Code.

The New Building Electrification Ordinance established phased requirements for the electrification of new building construction. The first phase of the New Building Electrification Ordinance (for newly constructed buildings that are three stories or less) will take effect on January 1, 2023, and second phase (for newly constructed buildings that are four stories or more) will take effect on January 1, 2026.

The California Building Standards Code is on a three-year cycle. Local amendments are only enforceable for the current California Building Standards Code. When the City Council adopted the

New Building Electrification Ordinance on June 1, 2021, the 2019 California Building Standards Code was in effect. The 2022 California Building Standards Code was published on July 1, 2022, and goes into effect on January 1, 2023. In order for the New Electrification Ordinance to be enforceable for the 2022 California Building Standards Code, the New Building Electrification Ordinance needs to be adopted as a local amendment to the 2022 California Building Standards Code.

The proposal is to migrate the local amendments from California Energy Code to the California Green Building Standards Code. For local amendments to the California Green Building Standards Code, a city is required to provide that more stringent local amendments are required due to local topographic, geologic, or climatic conditions. The California Energy Code process has other requirements including a requirement that the California Energy Commission make a determination that the local amendments use less energy. City staff is aware that the California Energy Commission recently did not approve another city's local amendment that was substantially similar to Sacramento's proposed local amendment in that it did not constitute an energy efficiency standard. In addition, migrating the local amendments from the California Energy Code to the California Green Building Standards Code provides a more streamlined process for local amendments.

Attachment 2 - New Building Electrification Ordinance Proposed Framework includes the recommended revisions to the New Building Electrification Ordinance. Staff is seeking direction from the Law and Legislation Committee to proceed with these revisions. Staff will then return to the Committee on September 20, 2022, with a request to pass a Motion forwarding the New Building Electrification Ordinance to City Council for consideration in November. At that time, City Council will also be requested to approve the Infeasibility Waiver Guidance Document and adopt a resolution to establish an infeasibility waiver application fee and a fee to process an appeal of the Building Official's infeasibility waiver application determination to recover staff/consultant costs. It is anticipated that the Budget and Audit Committee will consider these fees on September 6, 2022.

**Policy Considerations: Policy Considerations:** The 2035 General Plan includes the following key policies related to GHG emissions reduction.

**ER 6.1.5 Community Greenhouse Gas Reductions.** The City shall reduce community GHG emissions by 15 percent below 2005 baseline levels by 2020 and strive to reduce community emissions by 49% percent and 83% percent by 2035 and 2050, respectively. (RDR)

**ER 6.1.7 Greenhouse Gas Reduction in New Development.** The City shall reduce greenhouse gas emissions from new development by discouraging auto-dependent sprawl and dependence on the private automobile; promoting water conservation and recycling; promoting development that is compact, mixed use, pedestrian friendly, and transit oriented; promoting energy-efficient building design and site planning; improving the jobs/housing ratio in each community; and other methods of reducing emissions. (RDR)

The City Council committed to carbon neutrality by 2045 with adoption of the 2040 General Plan Vision and Guiding Principles (Resolution No. 2019-0433). The Council also declared a Climate Emergency on December 10, 2019 (Resolution No. 2019-0465), calling for the City to undertake significant action to accelerate the rapid decrease of GHG emissions. On August 25, 2020, City Council passed a motion directing staff to develop an ordinance to electrify new buildings and to plan for the electrification of existing buildings (Motion No. 2020-0226).

The Preliminary Draft Climate Action Plan, released on July 1, 2022, for a 30-day public review period, includes Measure E-2.1: Develop and adopt and electrification ordinance that requires all new construction under four stories to be all-electric by 2023 and all construction to be all-electric by 2026.

**Economic Impacts:** The economic impacts of passing an electrification ordinance are anticipated to be reduced construction costs for residential development and increased demand for climate-friendly appliances. Cost-effectiveness studies for the 2019 Building Standards Code indicate that all-electric construction is cost-effective for all low-rise and mid-rise construction prototypes studied. Cost-effectiveness of high-rise residential construction up to eight stories is cost effective, but above eight stories cost effectiveness varies depending on project design. All residential new construction building types are cost-effective when SMUD incentives are considered. Cost effectiveness studies for the 2022 Building Standards Code were not available at the time this report was prepared.

### **Environmental Considerations:**

**California Environmental Quality Act (CEQA):** City Council rules of procedure generally require that all proposals for ordinances must be reviewed by the Law and Legislation Committee prior to Council review and adoption. The review by the Law and Legislation Committee is not itself a project under the California Environmental Quality Act (CEQA) because it is a request for input and recommendation as an administrative activity that will not result in any direct or indirect physical change in the environment. (CEQA guidelines section 15378(b)(5).) Environmental review pursuant to CEQA will be conducted prior to any adoption of the proposed ordinance.

**Sustainability:** It is anticipated that the New Building Electrification Ordinance will have a net positive environmental impact because it will reduce GHG emissions and other pollution associated with fossil fuel combustion from gas heating systems, stoves, water heaters, and other appliances. The electrification ordinance will also help improve air quality and further decarbonize Sacramento's economy. Electrifying buildings is a key strategy to achieve carbon neutrality and advance the recommendations from the Preliminary Draft Climate Action Plan

and the Mayors' Commission on Climate Change (MCCC) Final Report.

**Commission/Committee Action:** The New Building Electrification Ordinance was originally adopted by City Council on June 1, 2021.

**Rationale for Recommendation:** Council has declared a climate emergency and declared the City's intent to take bold and immediate action to address climate change. In response to the recommendations of the MCCC Final Report and Council direction, staff is recommending re adoption of the New Building Electrification Ordinance to align with the 2022 California Building Standards Code.

**Financial Considerations:** The New Building Electrification Ordinance is not anticipated to have a significant cost impact for the City.

**Local Business Enterprise (LBE):** Not applicable.

## **Attachment 2: New Building Electrification Ordinance —Proposed Framework**

### **Recommended Changes to the New Building Electrification Ordinance:**

1. Migrate local amendments concerning new building electrification from City Code Chapter 15.30 as local amendments to the California Energy Code to City Code Chapter 15.38 as local amendments to the California Green Building Standards Code that are necessary because of local climatic, topographic, or geologic conditions.
2. Add procedures for applicants who wish to file an appeal to the Building Official's decision within ten (10) business days of an infeasibility waiver application decision.
3. Remove the limited exemption for "water heating systems and equipment in regulated affordable housing where virtual net energy metering is not available, for water heating only". This exemption is no longer needed because SMUD has established its Virtual Solar Program. Also remove definitions in 15.38.030.B that were only necessary because of that limited exemption.
4. Clarify the definition in the Ordinance from "natural gas" or "propane" to "fuel gas", which is the term used in the Building Standards Code for natural gas and propane.
5. Delete current City Code sections 15.38.030 and 15.38.040 concerned local amendments to the California Green Building Standards Code relating to electric vehicles. The provisions in the 2022 California Green Building Standards Code relating to electric vehicles are more stringent than the local amendments contained in the current City Code sections 15.38.030 and 15.38.040.
6. Clarify the definition of "all-electric building" to mean a building that does not have fuel gas piping and the uses electricity as the sole energy source except for emergency power systems when required to serve essential facilities or otherwise required by law.
7. Clarify the definition of "mixed-fuel building" as meaning a building that includes fuel gas piping and that may use fuel gas and electricity as a source of energy.