

City of Sacramento

Legislation Text

File #: 2021-00320, **Version:** 1

Title:

(Pass for Publication) An Ordinance Adding Chapter 15.38 to the Sacramento City Code, Amending Various Provisions Title 17 of the Sacramento City Code, and Adopting Local Amendments to the California Building Standards Code, Relating to Green Building Standards and Electric Vehicles

File ID: 2021-00320

Location: Citywide

Recommendation: 1) Review an Ordinance adding chapter 15.38 to the Sacramento City Code, amending various provisions of Title 17 of the Sacramento City Code, and adopting local amendments to the California Building Standards Code, relating to green building standards and electric vehicles; and 2) pass for publication the ordinance titles as required by Sacramento City Charter section 32(c) to be adopted on April 20, 2021.

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Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Ordinance - Redline
- 3-Ordinance - Clean
- 4-Community and Stakeholder Engagement

Description/Analysis

Issue Detail: The Electric Vehicle (EV) Charging Infrastructure Ordinance requires higher levels of electric vehicle (EV) charging infrastructure in new construction starting in 2023 and establishes parking incentives for zero emission carsharing and EV charging infrastructure which take effect 30 days after ordinance adoption.

This ordinance began as part of a comprehensive new building electrification ordinance intended to implement the direction from City Council which was based on a recommendation from the Mayor's Commission on Climate Change (MCCC) Final Report. On March 2, 2021, however, the Law and Legislation Committee directed staff to split the New Building Electrification Ordinance by moving EV charging standards forward to City Council hearing with recommendation for adoption as a separate ordinance, while directing staff to refine new building electrification requirements and return to the Law and Legislation Committee.

The process began on August 25, 2020 when Council passed Motion No. 2020-0226 directing the City Manager to take several actions including moving quickly to draft an ordinance to require electrification of new construction.

Since receiving direction in August 2020, staff have:

- Conducted study sessions with both the Law and Legislation Committee (September 29, 2020) and Planning and Design Commission (November 12, 2020).
- Held numerous stakeholder meetings including eight webinars on various aspects of new building electrification.
- Held a Planning and Design Commission public hearing on February 11, 2021.
- Returned to the Law and Legislation Committee where direction was given to split the Ordinance into a two-part, phased effort.

This Ordinance is the first phase of a two-part new construction electrification ordinance. Both the Electric Vehicle (EV) Charging Infrastructure Ordinance and the New Building Electrification Ordinance (pending) will have the same phased timeline and effective dates, providing a balanced overall package with net cost savings for new development.

The Electric Vehicle (EV) Charging Infrastructure Ordinance (Attachment 3):

- Ensures the provision of adequate charging infrastructure in multi-family housing and supports the equitable transition of all household types to zero-emission transportation.
- Avoids future costly retrofits for electrical infrastructure by providing adequate electrical capacity for charging upfront.
- Increases the visibility of EV charging options to the public by providing at least one operational EV charger.
- Creates an incentive for developers to determine the feasibility of installing additional EV charging stations and adding zero emission carsharing.

The Electric Vehicle (EV) Charging Infrastructure Ordinance includes the following changes to the Sacramento City Code:

- Local amendments to the California Building Standards Code that will amend Title 15, Sacramento's Local Building Code to require:
 - New nonresidential, multifamily dwellings, and hotels and motels to provide 20% EV capable charging spaces and at least one installed, operational Level 2 EV charger, effective January 1, 2023 for new construction of three stories or less, and effective January 1, 2026 for new construction of four stories or more.
- The Ordinance also amends Title 17, Sacramento's Planning and Development Code, to support EV charging and carsharing with incentives that would allow:
 - One zero emission carshare space to be substituted for four required on-site vehicle parking spaces up to a maximum of 20% of the required on-site vehicle parking spaces.
 - One EV charging station utilizing an electric vehicle charger level 2 or an electric vehicle direct current fast charger may be substituted for two parking spaces.

Ordinance Effective Dates:

The effective dates for the Electric Vehicle (EV) Charging Infrastructure Ordinance align with those to be proposed for the pending New Building Electrification Ordinance. These effective dates are consistent with effective dates recommended

by the MCCC, which are January 1, 2023 for new construction of three stories or less, and January 1, 2026 for new construction of four stories or more. The effective dates also align with the effective dates of the 2022 and 2025 California Building Standards Code updates. Complete building permit applications (including payment of all required fees) filed with and accepted by the City's Building Division prior to the effective dates would not be subject to either ordinance. The Title 17 ordinance amendment that incentivizes zero emission carsharing and EV chargers would be effective thirty days after adoption.

The California Building Standards Code is on a three-year cycle, so local amendments are only enforceable for the current California Building Standards Code. The current California Building Code in effect is the 2019 code; accordingly, the 2023 and 2026 requirements in the City's Ordinance are not enforceable until California adopts future state building codes, and the City adopts ordinances that are local amendments to the new California Building Standards Codes, which would be adopted after July 1, 2022 and July 1, 2025, respectively.

The Electric Vehicle (EV) Charging Infrastructure Ordinance amends the California Green Standards Code, which is part of the California Building Standards Code. To amend the California Green Standards Code, the City must determine that the changes are necessary due to local climatic, geographic, or topographic conditions. The required findings are included in the proposed ordinance.

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 6.1.6 Municipal Greenhouse Gas Reductions** 🌐. The City shall maintain and implement its Phase 1 Climate Action Plan to reduce municipal GHG emissions by 22 percent below 2005 baseline level by 2020 and strive to reduce municipal emissions by 49 percent and 83 percent by 2035 and 2050, respectively. (SO)
- 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)

In November 2019, City Council committed to carbon neutrality by 2045 with adoption of the 2040 General Plan Vision and Guiding Principles (Resolution No. 2019-0433). City 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 January 19, 2021, City Council reaffirmed electrification as a key strategy for the 2040 General Plan update. Specifically, the January 19, 2021 resolution commits to require new buildings to be electric and to gradually transition existing buildings away from natural gas, with assistance and financial incentives for low-income residents.

Economic Impacts: The combined construction costs of the Electric Vehicle (EV) Charging Infrastructure Ordinance and the pending New Building Electrification Ordinance, which will go into effect at the same time, are anticipated to be cost-neutral or reduced for most building types. Over the longer term, the Electric Vehicle (EV) Charging Infrastructure Ordinance is expected to increase green jobs associated with installing EV charging infrastructure and provide new opportunities for Sacramento's low-income and underemployed communities to enter skilled labor positions.

Environmental Considerations: The adoption of an ordinance is a project under CEQA. The direct physical effect on the environment of the regulation would be negligible and less than significant.

The internal combustion engine is a significant source of air pollution and GHG emissions. This ordinance provides a foundational action for the City to promote the transition from the internal combustion engine to zero-emission vehicles. The Electric Vehicle (EV) Charging Infrastructure Ordinance requires additional electrical infrastructure (electrical service panels or subpanels, raceways, and EV charging stations) to be installed in new development projects, but this would not result in significant effects.

SB100 requires California utilities to provide carbon neutral electricity by 2045. The Sacramento Municipal Utility District currently provides electricity that is approximately 70% carbon-free. SMUD is committed to achieving carbon-neutral electricity by 2040 or earlier, with a pending 2030 Clean Energy Vision that would establish goals for carbon neutrality if adopted by the SMUD Board in late March. The substitution of clean, carbon-neutral electricity for gasoline will significantly reduce air pollution and GHG emissions from vehicles.

This Ordinance is consistent with City policies in the general plan and other plans, to reduce greenhouse gas emissions and improve air quality. Adoption and implementation of the Ordinance would not result in any significant effects. Because it can be seen with certainty that the action would not result in significant effects the action is exempt from CEQA pursuant to the commonsense exemption provided in CEQA Guidelines section 15061(b)(3). In addition, this ordinance is exempt pursuant to CEQA Guidelines sections 15307 and 15308 because it is an action taken to assure the maintenance, restoration or enhancement of natural resources or protection of the environment where the regulatory process involves procedures for protection of the environment.

Sustainability: The Electric Vehicle (EV) Charging Infrastructure Ordinance will have a net positive environmental impact because it will increase EV charging infrastructure and support EV adoption, thereby reducing GHG emissions and air pollution associated with fossil fuel combustion.

Commission/Committee Action: On February 11, the Planning and Design Commission held a public hearing on the New Building Electrification Ordinance. The Commission unanimously passed a motion to forward the Ordinance to City Council for consideration, with an amendment to include parking incentives for projects which provide zero emission carsharing.

On March 2, 2021, the Law and Legislation Committee directed staff to split the New Building Electrification Ordinance by moving EV charging standards forward to City Council hearing with recommendation for adoption as a separate ordinance, while directing staff to refine new building electrification requirements, develop a process for equitably transitioning the existing building stock off gas infrastructure, and return to the Law and Legislation Committee.

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 and Council direction, staff is recommending adoption of the Electric Vehicle (EV) Charging Infrastructure Ordinance.

Transportation emissions make up more than half of the emissions in Sacramento's GHG inventory. Strategies to facilitate the transition from the internal combustion engine to zero-emission vehicles by requiring more EV charging infrastructure in new development are among the few direct regulatory tools available to the City.

Financial Considerations: The Electric Vehicle (EV) Charging Infrastructure Ordinance is not anticipated to have a significant cost impact for the City. The Community Development Department will implement the new ordinance with existing staff resources.

Local Business Enterprise (LBE): Not Applicable.
Background :

Current and Future State Mandates

The City's EV Charging Infrastructure Ordinance anticipates likely statewide standards for EV infrastructure. At the time of this report's publication, initial state proposals for 2022 requirements would increase mandatory requirements for EV capability and require installation of minimum amounts of Level 2 charging. The City's proposal is generally consistent with initial state proposals but would exceed current state proposals for multi-family EV capability. By adopting a local ordinance now, the City sends a strong early signal to the private sector and helps to anticipate evolving state requirements. Staff will revisit the ordinance in 2022, after state proposals are finalized, to gauge whether additional levels of EV infrastructure should be recommended to continue to lead and anticipate the statewide standards.

California has taken an aggressive stance to mitigate climate change at the state-level through the adoption of legislation and executive orders. The two major state GHG-related goals are established by Assembly Bill 32 (2006) and Senate Bill 32 (2016).

- AB 32 established a statewide GHG emissions reduction goal of attaining 1990 levels by 2020.
- SB 32 requires state agencies to achieve a 40 percent reduction below 1990 levels by 2030.

Executive Order (EO) B-55-18 was signed by the Governor Brown in 2018. This order sets a goal of achieving carbon neutrality as soon as possible, but no later than 2045, and maintaining neutrality thereafter.

Following the passage of SB100 (2018), which mandates that California utilities provide carbon-neutral electricity by 2045, local governments began passing ordinances that are variations on the theme of prohibiting fossil fuel energy sources in new construction.

In September 2020, Governor Newsom issued EON-79-20, setting new statewide goals for phasing out gasoline-powered cars and trucks in California. Under the order, 100% of in-state sales of new passenger cars and trucks are to be zero-emission by 2035. Additionally, the order also establishes that all medium- and heavy-duty vehicles and off-road vehicles and equipment sales shall also be zero-emission where feasible.

City of Sacramento - Climate Action Policy Direction

In November 2018, Mayor Darrell Steinberg and West Sacramento Mayor Christopher Cabaldon launched the Mayor's Commission on Climate Change (MCCC) to develop recommendations for the cities of Sacramento and West Sacramento to achieve carbon zero by 2045. On June 29, 2020, the MCCC unanimously approved its final report for achieving carbon zero by 2045 in Sacramento and West Sacramento. The MCCC recommendations included the following for electrification in new construction:

- MCCC Built Environment Recommendation - Electrification in New Construction:
 - Mandating all-electric construction to eliminate fossil-fuel use in new low-rise* buildings by 2023 and all buildings by 2026**. (**Low-rise defined as under 4 stories. **Provided that the costs to go all-electric are cost-effective including the incremental costs of electrical infrastructure upgrades and the technology has shown to be feasible.*)
- MCCC Mobility Recommendation - Zero-Emission Vehicles:
 - Developing a comprehensive package of incentives, disincentives, and policies to

encourage the adoption of zero-emission vehicles (ZEVs) so that:

1. 70% of new vehicle registrations will be for ZEVs by 2030.
2. All public, private, and shared fleets are fully electrified by 2045.

The Mobility Technical Advisory Committee had further advised that the cities adopt CALGreen Tier 2 standards for EV capability. Although not included in the final report adopted by the MCC, the recommended ordinance is consistent with this recommendation.

In coordination with the MCCC recommendations, the City is also in the process of updating the Sacramento Climate Action and Adaptation Plan (CAAP) to reduce community wide GHG emissions to 40% below 1990 levels by 2030 and developing a path forward for achieving carbon neutrality by 2045. It is anticipated that the draft CAAP will be available for public review in Summer 2021.

Decarbonization through electrification is one of the City's key strategies for reducing GHG emissions. Building code amendments are more effective and cost efficient than other GHG reduction measures, so they are a logical first step. Sacramento is looking to be a regional and statewide leader in taking proactive steps to reduce the impact of climate change.