

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 20, 2021

TO: Mayor and Council

FROM: Energy & Climate Division, Sustainability & Resilience Department

SUBJECT: Introduction Of Proposed Ordinance Enacting A Prohibition Of Natural

Gas Infrastructure In New Construction

RECOMMENDATION:

That Council introduce and subsequently adopt, by reading of title only, an Ordinance of the Council of the City Of Santa Barbara Amending the Santa Barbara Municipal Code by Adding Chapter 22.100 Prohibiting Natural Gas Infrastructure in New Buildings.

DISCUSSION:

On January 12, 2021, staff presented information on energy-related building code enhancements, otherwise known as "Reach Codes", to the Santa Barbara City Council. The presentation centered around pathways to achieving Council's carbon neutrality goal, underscoring the role buildings play in local greenhouse gas (GHG) emissions and the need to take decisive and immediate action to reduce current and future GHG emissions in order to make meaningful progress toward Council's goal.

Emissions in Santa Barbara primarily come from three sources: transportation, energy (mostly from buildings), and solid waste. Building energy use accounts for approximately 37 percent of emissions in Santa Barbara. Therefore, buildings provide a significant opportunity to reduce local GHG emissions.

Additionally, the electric grid is becoming progressively less carbon-intensive through the integration of renewable sources and innovative technologies such as battery storage. In October 2021, Santa Barbara Clean Energy (SBCE), the City's Community Choice Energy entity, will begin procuring 100 percent carbon-free electricity for the community, accelerating the pace of renewable energy adoption locally and essentially eliminating emissions related to electricity. This, coupled with advances in appliance technologies, makes a transition to all-electric newly constructed buildings not only viable and cost effective but also a key strategy for mitigating future emissions.

Given the opportunity provided by the decarbonizing electric grid and the role of buildings in local GHG emissions, Council unanimously directed staff to return with a draft

Council Agenda Report Introduction Of Proposed Ordinance Enacting A Prohibition Of Natural Gas Infrastructure In New Construction July 20, 2021 Page 2

ordinance prohibiting the installation of natural gas infrastructure in newly constructed buildings.

Staff drafted language based on input gathered at the January 12th Council meeting and presented the draft ordinance to the Council Sustainability Committee on March 15, 2021 and to the Ordinance Committee on May 25, 2021 for review and input. The presentations to the Committees addressed questions raised by Council at the January 12, 2021 meeting. Both the Sustainability Council Committee and the Ordinance Committee voted unanimously to forward the draft ordinance to Council with the inclusion of exemptions for public interest projects, restaurant and commercial kitchens, and laboratories and clean rooms as well as an enhanced clarification of ordinance applicability for projects already in the planning and/or permitting process.

The updated ordinance language draft outlines specific findings for why a prohibition of natural gas infrastructure is in the best interest of the citizens of Santa Barbara and includes the exemptions mentioned above. Otherwise, natural gas infrastructure is prohibited in all new buildings for which a building permit application is submitted and deemed complete after December 31, 2021.

BUDGET/FINANCIAL INFORMATION:

Some staff time will be necessary to implement the new permit regulations, but it is not anticipated to be substantial.

SUSTAINABILITY IMPACT:

Switching to all electric for new buildings will prevent the release of significant additional natural gas—related greenhouse gasses from delivery to and end-use in new buildings.

PREPARED BY: Alelia Parenteau, Energy & Climate Manager/bm

SUBMITTED BY: Rene Eyerly, Acting Sustainability & Resilience Co-Director

APPROVED BY: City Administrator's Office