



MICHAEL N. FEUER
CITY ATTORNEY

REPORT NO. R 2 2 - 0 4 2 6
NOV 2 9 2022

REPORT RE:

**DRAFT ORDINANCE AMENDING DIVISIONS 2, 4, AND 5 OF ARTICLE 9 OF
CHAPTER IX OF THE LOS ANGELES MUNICIPAL CODE TO REQUIRE ALL NEW
BUILDINGS TO BE ALL-ELECTRIC BUILDINGS WITH EXCEPTIONS**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Council File No. 22-0151

Honorable Members:

This Office has prepared and now transmits for your consideration, approved as to form and legality, the enclosed draft ordinance. This draft ordinance amends Section 99.02.202 of the Los Angeles Municipal Code (LAMC) and adds Sections 99.04.106.8, 99.04.106.8.1, 99.04.106.8.2, 99.05.106.14, 99.05.106.14.1, and 99.05.106.14.2 to the LAMC.

These amendments and additions update the City's Building Code to require all new buildings to be all-electric buildings, with exceptions, as of April 1, 2023, and all affordable housing projects to be fully electrified as of June 1, 2023.

Background and Summary of Ordinance Provisions

On February 9, 2022, a motion (Raman – Blumenfield/O'Farrell/Martinez/Harris-Dawson/Koretz) was introduced instructing the Department of Building and Safety (DBS), with assistance from City Attorney, Climate Emergency Mobilization Office (CEMO), and other relevant departments, to report back with a plan for the

implementation of an ordinance and/or regulatory framework that will require all new residential and commercial buildings in Los Angeles to be built so that they will achieve zero-carbon emissions.

The motion further instructed that the plan should integrate and be informed by the findings of CEMO's Climate Equity LA Series on building decarbonization, as well as by DBS's engagement with technical experts and key stakeholders per Council File 21-1463 and additional engagement with building owners and operators. The motion also instructed that the report back should include: (a) a recommended implementation timeline by building type; (b) recommended language to ensure the ordinance does not place the economic burden of transitioning to decarbonized construction on low-income tenants or contribute to housing destabilization or community displacement pressures; (c) an analysis of any negative impacts to construction costs; (d) timelines for publicly-funded residential buildings; (e) recommendations for mitigating measures; and (f) strategies to mitigate and offset any potential impacts to construction jobs through programs and/or policies for workers in the building trades impacted by the decarbonization of buildings.

On May 5, 2022, the Planning and Land Use Management (PLUM) Committee considered the motion and recommended approving the motion. On May 5, 2022, the Energy Climate Change, Environmental Justice, and River (ECCEJR) Committee considered and concurred with the action taken by the PLUM Committee.

On September 30, 2022, DBS issued a report relative to the implementation of building decarbonization and strategies in new buildings. DBS recommended that the City Council request an ordinance for implementation on January 1, 2023, requiring the decarbonization of new buildings through electrification with exceptions.

On November 4, 2022, the PLUM Committee issued a report relating to building decarbonization strategies for new buildings and recommended the City Council direct DBS, with the assistance of the City Attorney, to prepare and present an ordinance for implementation on January 1, 2023, requiring decarbonization of new buildings. The requested ordinance would require all new buildings, with certain exceptions, to be fully electrified by April 1, 2023, except that Affordable Housing Projects shall have an effective date of June 1, 2023. The exceptions include process gas used in manufacturing facilities, industrial facilities, hospitals, and laboratories, cooking appliances in restaurants and cafeterias, gas-powered life-safety systems, and attached accessory dwelling units (ADUs) using existing systems in conjunction with the primary dwelling. The exceptions, however, require the installation of electrical wiring and panel capacity for future conversion.

On November 3, 2022, the ECCEJR Committee approved the September 30, 2022, DBS Report and amended it to remove the reference to solar thermal water heating and grey water. The ECCEJR Committee also recommended to include

“commissaries and community kitchens” in the list of exceptions from full electrification requirements under Specialized Equipment of the DBS Report.

On November 9, 2022, City Council adopted the November 4, 2022, PLUM Report and the November 3, 2022 ECCEJR Committee Report. On November 22, 2022, City Council reconsidered its adoption of the PLUM and ECCEJR Committee Reports and clarified that attached ADUs using existing systems in conjunction with the primary dwelling shall not be required to install electrical wiring and panel capacity for future conversion.

Charter Findings Not Required

The draft ordinance relates to regulations and activities within the authority of DBS, and is not a land use ordinance. For these reasons, the draft ordinance is not subject to approval by the City Planning Commission pursuant to Charter Section 558.

Health and Safety Findings

Pursuant to California Health and Safety Code Sections 17958.5 and 17958.7, the City may make changes or modifications to the provisions of the California Building Standards Code and other regulations adopted pursuant to California Health and Safety Code Section 17922, when the City Council makes an express finding that the changes are reasonably necessary because of local climatic, geological or topographical conditions. This express finding of reasonable necessity shall be available as a public record. The City complies with this requirement when DBS files with the California Building Standards Commission technical information related to the express finding together with the modification or change expressly marked and identified to which the finding and technical information refers. No modification is effective until the DBS technical information, along with the ordinance making the express finding and adopting the modifications, have been filed with the California Building Standards Commission. The draft ordinance provides the express finding of reasonable necessity on the basis of local conditions.

CEQA Findings

DBS recommends that the City Council, based on the whole of the administrative record, determine that the enclosed draft ordinance amending Divisions 2, 4, and 5 of Article 9 of Chapter IX of the Los Angeles Municipal Code is exempt from the California Environmental Quality Act (CEQA) under California Public Resources Code Sections 15301 (categorical exemption for existing facilities), 15303 (categorical exemption for new construction or conversion of small structures), 15308 (categorical exemption for actions by agency for protection of the environment), and 15311 (categorical exemption for accessory structures), and that none of the exceptions under 15300.2 apply.

Reliance on these categorical exemptions is appropriate when substantial evidence in the record supports the use of the categorical exemptions and none of the exceptions in CEQA Guidelines Section 15300.2 apply.

If the City Council concurs, it should adopt these exemption determinations prior to or concurrent with its action on the ordinance.

Council Rule 38 Referral

A copy of the draft ordinance was sent, pursuant to Council Rule 38, to DBS with a request that all comments, if any, be presented directly to the City Council when this matter is considered.

If you have any questions regarding this matter, please contact Deputy City Attorney K. Lucy Atwood at (213) 978-8248. A member of this Office will be present when you consider this matter to answer questions you may have.

Sincerely,

MICHAEL N. FEUER, City Attorney

By



DAVID MICHAELSON
Chief Assistant City Attorney

DM:KLA:jr
Transmittal