



Planning Commission Staff Report

September 22, 2010

Item 4.b.

- SUBJECT:** PRZ-55 (Work Session)
- APPLICANT:** City of Pleasanton
- PURPOSE:** Work Session on the Amendment of the Pleasanton Municipal Code to Reference the California Green Building Standards (CALGreen) Code with Local Amendments to address specific Green Building issues and Other Related Green Building Amendments.
- GENERAL PLAN:** City Wide
- ZONING:** City Wide
- LOCATION:** City Wide
- ATTACHMENTS:**
1. Exhibit "A" – Minutes and Notes of Stakeholder Meetings
 2. Exhibit "B" – Cost Analysis
 3. Exhibit "C" – CALGreen Measures & Electives (Basic & Tier 1)

I. SUMMARY

This report provides an overview of the City's existing Green Building Ordinance (Chapter 17.50 of the Municipal Code) and a discussion about harmonizing these existing requirements with the City's required adoption¹ of the California Green Building Standards Code (CALGreen).

¹ The California Green Building Standards Code will automatically go into effect state-wide on January 1, 2011. This code, like the Building, Plumbing, Fire Codes, etc., is generally intended to create uniform standards state-wide. However, each local jurisdiction is allowed to adopt "local amendments", which are addressed later in this report.

II. BACKGROUND

Green building is a whole systems approach to the design, construction and operation of buildings. Development of green buildings reflects an interest in conservation of energy, water and other natural resources, while simultaneously creating more healthful environments for the building occupants.

In 2002, Pleasanton was at the forefront of the green building movement when it adopted green building requirements for new commercial buildings of 20,000 square feet or larger, commercial additions of 20,000 square feet or larger², and civic buildings. Such projects are required to meet the Leadership in Energy and Environmental Design (LEED)TM "certified" rating, which is a point-system process verified by U.S. Green Building Council-accredited City staff.

In 2004, Gov. Schwarzenegger signed Executive Order S-20-04, known as the "Green Building Initiative." This order requires State buildings to be 20% more energy efficient by 2015, and encouraged the private sector to do the same.

In 2006, Pleasanton³ expanded its green building requirements to new single-family residential projects of 2,000 square feet or larger⁴, additions of any size to homes built within the last five (5) years, and all multi-family residential projects. These projects are required to achieve fifty (50) Build It GreenTM (BIG) points (awarded for design considerations, energy efficient appliances, drought tolerant landscaping, wiring for photovoltaic, etc.).

In 2008, the California Building Standards Commission⁵ (CBSC) adopted a voluntary green building code. Because Pleasanton already had its own green building standards, the City did not adopt this voluntary code.

In 2010, the CBSC unanimously adopted the first-in-the-nation mandatory Green Building Standards Code (CALGreen) requiring all new buildings in the state to be more energy efficient and environmentally responsible. The final version of CALGreen was published in July 2010, and will automatically go into effect state-

² Pleasanton's green building threshold of 20,000 s.f. or larger for only new commercial projects was based on consideration that it would be relatively easier for larger projects achieve green building points due to factors such as economies of scale.

³ As of 2008, the California Attorney General's survey found that about 40 cities and counties in the State had adopted green building ordinance.

⁴ Pleasanton's green building threshold of 2,000 s.f. or larger for residential construction was based on consideration that it would be relatively easier for larger projects achieve green building points due to factors such as economies of scale, and use of large construction firms.

⁵ This State Commission includes representatives from governmental agencies, the building industry, housing developers, and manufacturers.

wide on January 1, 2011. Local agencies, if they take no action, will have CALGreen's basic mandatory provisions in effect in their jurisdictions. Pleasanton has historically formally adopted California building codes, with local amendments, and staff recommends a similar approach for CALGreen.

III. PROJECT DESCRIPTION

The current Green Building Code (PMC 17.50) requires commercial, civic, and residential projects that meet the definition of a "Covered Project" to be built to a "green" standard, and relies on the applicant to produce an appropriate level of information to show compliance with the established standards.

The proposed Code amendments would provide a process for "Covered Projects" to continue the equivalent green building standards (described, below, as Tier 1) and would follow a process similar to the existing procedures, but would rely mainly on the State mandated program rather than those of the outside agencies currently referenced⁶. This amendment provides for greater uniformity with the state-wide code, rather than a Pleasanton specific requirement.

In addition, new construction that is smaller in size⁷ than a "Covered Project" would be required to meet CALGreen's minimum mandatory green building standards (known as the CALGreen basic measures). These basic measures are the new state-wide standards for energy efficiency and water conservation. The proposed Code amendment would clarify that historic buildings would continue to be exempt from the CALGreen requirements.

Work Plan & Timeline

In an effort to reduce any confusion in the development community with the advent of CALGreen and its interface with the City's existing green building requirements, staff is crafting an adoption of CALGreen which will have local amendments that harmonize with Pleasanton's Green Building ordinance. The goal is to create uniformity with the State's standards, while preserving Pleasanton's existing green building provisions. Since CALGreen contains its own checklists, staff is working to ensure that existing City requirements for LEED™ and Build It Green™ points are still achieved, but only require builders to

⁶ US Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) and the Alameda County Waste Management Authority (ACWMA) program, which is now managed by Build It Green (BIG). Both the USGBC and BIG are non-profit organizations which update their requirements based on their own schedules, without public notice or comment.

⁷ Residential structures less than 2,000 square feet or commercial structures less than 20,000 square feet.

adhere to the checklist that is modeled after the CALGreen measures (rather than multiple checklists and point sheets).

Staff's goal is to receive input from all stakeholders, including the Planning Commission, present the information to the City Council, and have CALGreen adopted with local amendments, as well as the other related municipal code amendments prior to the state-wide effective date for CALGreen (January 1, 2011). As such, the draft work plan and timeline for the elements of this process are as follows:

Work Plan Schedule

Aug. – Nov. – Stakeholder outreach and research
Nov. – Dec. – Staff training
Jan. 1, 2011 – CALGreen in effect

Remaining Stakeholder Meeting Schedule (tentative dates)

Sept. 16 - Economic Vitality Committee⁸
Sept. 29 - Planning Commission Hearing
Oct. 19 - City Council - Introduce Ordinance
Nov. 16 - City Council adopt ordinance/second reading⁹

IV. ANALYSIS

CALGreen regulations are projected to achieve reductions in greenhouse gas emissions, energy consumption, and water use. CALGreen will require that every new building constructed in California reduce water consumption by 20% when compared to a baseline model, divert 50% of construction waste from landfills¹⁰, and install low pollutant-emitting materials. It also requires separate water submeters for nonresidential buildings' indoor and outdoor water use, with a requirement for moisture-sensing irrigation systems for larger landscape projects. To ensure that all energy systems (e.g., heat furnace, air conditioner, and mechanical equipment) for nonresidential buildings over 10,000 square feet are working at their maximum capacity and according to their design efficiencies, mandatory inspections of those systems are required.

⁸ This staff report was prepared and published prior to the occurrence of the Economic Vitality Meeting. A summary of the meeting will be reflected in the September 29, 2010 Planning Commission staff report due to be published on September 23, 2010.

⁹ The proposed ordinance to adopt CALGreen with local amendments and modifications of the Municipal Code would go into effect no sooner than 30 days after the second reading. With the holidays in November and December, the Nov. 16th meeting is the only current regular meeting which meets this timeline.

¹⁰ The Pleasanton Municipal Code already has an equivalent diversion requirement for 50% of construction and demolition debris, as well as 90% for Portland cement concrete and asphalt concrete. See Municipal Code Chapter 9.21.

CALGreen will help the state to meet its goals of achieving 33% of energy from renewable resources by 2020; reducing greenhouse gasses to curb global warming¹¹, and promoting sustainable development for all new construction.

In addition to the CALGreen basic measures, CALGreen also provides for additional voluntary measures, known as Tier 1 and 2, which encourage local communities to take further action to green their buildings. As described, below, City staff has evaluated and compared Pleasanton's existing green building requirements with CALGreen's basic measures, Tier 1, and Tier 2 optional provisions.

Staff considered the following in the analysis of the CALGreen code and the Pleasanton Green Building regulations:

- Comparison of Pleasanton Green Building to CALGreen basic requirements;
- Comparison of Pleasanton Green Building to CALGreen Tier 1 voluntary requirements;
- Comparison of Pleasanton Green Building to CALGreen Tier 2 voluntary requirements;
- Consideration of applying CALGreen to historic buildings, Downtown Specific Plan area, and other projects exempt from Pleasanton Green Building;
- Consideration of impacts to and interests of the development community;
- Ease of process for the development community;
- Actions by other local agencies; and
- Input from other committee and stakeholder groups.

Like California's existing Building, Fire, and Plumbing Codes that regulate all construction projects throughout the state, CALGreen provisions also will be inspected and verified by City Building Division staff.¹²

¹¹ AB 32, the California Global Warming Solutions Act of 2006, requires a reduction of greenhouse gas emissions to 1990 levels by 2020. However, Proposition 23 has qualified for the November general election, and proposes to suspend AB 32 until state unemployment levels decline for an extended period. Prop. 23 is not a measure to amend or modify CALGreen.

¹² Just as all City building inspectors are trained to verify all California building codes, all staff will also be trained for CALGreen. Trainings for CALGreen are expected to be readily available because it will be a state-wide code. In contrast, for LEED™ and Build It Green™ inspection and verification, City Building and Planning staff have had to get specialized training from these private organizations. Since few jurisdictions have adopted mandatory green building requirements, such trainings are not easily scheduled and are costly.

V. UPDATES UNDER CONSIDERATION

Based on research and internal discussions, staff has formulated an initial recommendation for adoption of CALGreen with local amendments, to maintain the City's existing green building requirements, construction and demolition debris mandates, and other policies of the General Plan. Staff's initial recommendation is as follows:

1. Adopt CALGreen Tier 1 for those "Covered Projects" currently subject to Pleasanton Green Building.

This would result in the CALGreen "voluntary" Tier 1 measures¹³ becoming required measures, which recommendation is based on staff research that Tier 1 is substantially similar to the points required by Pleasanton's current green building standard, and new policies in the General Plan.

2. Modify both the Pleasanton Green Building Ordinance and CALGreen, as appropriate, to incorporate basic green building design in new Downtown buildings, and in new buildings not located in Downtown which are currently exempt from green building.

This would be consistent with state law as CALGreen is intended to set mandatory minimum standards for all new construction. The CALGreen basic measures are the minimum standard required by the state. Downtown Pleasanton is currently exempt from the Pleasanton Green Building Ordinance as are commercial buildings smaller than 20,000 square feet in size and residential structures smaller than 2,000 square feet in size.

3. Modify both the Pleasanton Green Building Ordinance and CALGreen, as appropriate, to incorporate the current regulations on additions, and to continue to exempt historic structures.¹⁴

This would provide consistency with our current green building standards and be consistent with local historic preservation interests. Additions are exempt from CALGreen, whereas larger additions (e.g., residential additions greater

¹³ For example, as discussed above, CALGreen's basic requirements are that beginning July 1, 2011, baseline water usage be reduced by 20%. To achieve the Tier 1 level for indoor water use in a new residence, the kitchen sink faucet cannot flow more than 1.5 gallons per minute. Such water use reduction earns a "point" under the Build It Green™ system currently in effect, and similarly meets the CALGreen Tier 1 recommendation.

¹⁴ Historic structures are allowed to be exempt according to the State's Health and Safety Code.

than 2,000 square feet in size¹⁵ or commercial additions larger than 20,000 square feet in size) are subject to Pleasanton's Green Building Ordinance.

4. Amend the Pleasanton Municipal Code to incorporate CALGreen as the reference standard.

This would eliminate the references to the standards of the Build It Green™ Guidelines and the LEED™ programs; and requires projects subject to green building to adhere to only one checklist. However, the proposed amendment still allows an applicant to use of LEED™ or BIG™ rating programs to meet the proposed new standard (see number 5 below).

5. Adopt an alternative compliance option for an applicant to pay a verified third party rater for LEED/BIG certification (equivalent to or "greener" than CALGreen Tier 1) and be allowed to pursue the outside certification process as a substitute to the City's green building plan check review process and provide the City with proof of completion.

Staff believes that certification through a third party rater (Build It Green™ Guidelines, the LEED™ programs, or another approved program) would provide an acceptable level of confidence that the structure is achieving CALGreen Tier 1 or greener standards. Applicants may choose this option if they desire a marketable green label, are applying for grant funding of some-kind that requires the use of a third party rating system, or are in pursuit of some other form of financial or public recognition with third party rating system certification requirements.

VI. STAKEHOLDER MEETINGS AND COMMENTS

Planning staff has been coordinating the evaluation of the proposed changes with the other City Divisions to ensure that the transition is smooth for the public. Additionally, staff has taken the proposed changes to the local stakeholders for review and comment. A summary of other stakeholder comments for the Commissions consideration are in Exhibit A. The comments generally relate to costs for measures that are above those required by the ordinance that are being imposed through the discretionary review process, incentives, outreach and education, and comparison to the surrounding jurisdictions.

¹⁵ Residential additions of any size to a home that was built within the last five (5) years is also subject the current Green Building Ordinance.

In response to the stakeholders requests for a general cost analysis staff has prepared a cost analysis for a residential project and payback information for the energy measures being incorporated into residential and commercial projects (provided in Exhibit B). The cost impacts of CALGreen Tier 1 are equivalent to the City's existing green building ordinance. A few stakeholders also expressed a concern about "additional" green building conditions of approval being required above and beyond the City's green building ordinance during a given project's discretionary review process. The Commission may wish to consider this, by adding recommended local amendments to the Code for typical conditions of approval, such as the "photovoltaic ready" conditions, or by recommending that additional conditions not be required, which has been suggested by a few stakeholders.

Climate Action Plan

It is possible that Pleasanton's Green Building Ordinance/CALGreen may need to be further amended in early 2012 as a result of the Climate Action Plan study currently under preparation. The results of the Climate Action Plan are anticipated to be reviewed by the City Council later next year. Green building "incentives" will be proposed and considered as part of this process.

IX. STAFF RECOMMENDATION

Staff recommends that the Planning Commission review the information provided, consider staff's presentation, take public comments, provide initial feedback regarding the green building ordinance update, and direct staff to return to the next Planning Commission meeting for the formal consideration of this project.

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