



Environment and Climate Commission

CONSENT CALENDAR
May 20, 2025

To: Honorable Mayor and Members of the City Council
 From: Environment and Climate Commission
 Submitted by: Brianna McGuire, Chair, Environment and Climate Commission
 Subject: Authorization for City Manager to evaluate policies to accelerate building decarbonization

RECOMMENDATION

Authorize the City Manager to evaluate and develop amendments to the 2025 Energy and CALGreen Codes and/or other ordinances to accelerate building decarbonization for Council consideration.

FISCAL IMPACTS OF RECOMMENDATION

None. Existing staff within the Planning Department's Building and Safety Division and Office of Energy and Sustainable Development can allocate time to develop policy recommendations for Council consideration.

CURRENT SITUATION AND ITS EFFECTS

Berkeley has historically set ambitious climate goals, starting with the first ever Climate Action Plan in 2009 and most recently with its science-based Race-to-Zero commitments (November 2021) that require 60.5% emissions reductions by 2030 and net-zero emissions by 2045. While much progress has been made, the City needs an additional 50% reduction in the next five years to meet its goals.

According to the latest 2023 greenhouse gas emissions inventory, natural gas use in buildings was responsible for 35% of all emissions citywide. The City has recognized its own ability and responsibility in tackling these emissions, as well as the impact of natural gas use on public health. Estimates from Bay Area Air District and UCLA estimate that natural gas combustion is responsible for nearly \$1 billion in additional healthcare costs in the Bay Area alone. In 2019, the City passed a ban on natural gas in new construction. The policy quickly spread across the region, state, country, and world.

Unfortunately, as of 2024, the policy is no longer in effect, having been vacated by the U.S. Court of Appeals for the Ninth Circuit. The impacts have been immediate. According to City staff, in the short time since the law was overturned, many large projects have amended their plans to include natural gas hookups, despite the potentially added costs to their projects. This is a public health and climate disaster.

In an attempt to address this situation, Planning Department staff proposed local amendments to the California Building Standards Code in May 2024. Their primary recommendation was the adoption of a Zero NOx appliance standard which would effectively prohibit gas construction. After initial consideration and the recommendation of an exemption pathway for commercial kitchens, Council ultimately decided not to adopt the amendments. Thus, new construction in Berkeley will continue to include gas, even as the City attempts to drastically increase housing production. This will lock in carbon emissions, earthquake risk, and public health impacts for decades to come.

There is a pressing need to prevent new building gas infrastructure and address the 35% of city emissions that come from existing buildings. The City's recent adoption of a time of sale energy upgrade requirement for single-family homes is a small step in this direction, but will only affect 1% of the existing building stock per year. Staff also was awarded under a Department of Energy grant to develop a large buildings Building Performance Standard (which would require declining emissions from large buildings over time), but the funding is in jeopardy due to the change in federal administration. Thus, there is also a need for further research and legislation to set the City on a pathway to zero emissions from existing buildings.

At its meeting March 26, 2025, the Environment and Climate Commission authorized its Building Decarbonization Subcommittee to write and submit a report to the City Council to authorize the City Manager to evaluate and develop amendments to the 2025 Energy and CALGreen Codes and/or other ordinances to accelerate building decarbonization for Council consideration (moved by Kesselman, seconded by Ranney, motion carried 9-0-0-0; Ayes: Ranney, LaBonte, McGuire, Tahara, Guliasi, Kesselman, Binns, Athanasiou, Syed. Noes: None. Abstain: None. Absent: None).

BACKGROUND

In 2021, Council adopted the Berkeley Existing Buildings Electrification Strategy, which laid out four primary electrification strategies:

1. Time of replacement and renovation
2. Time of sale
3. Building Performance Standards
4. Neighborhood Electrification and Gas pruning

Implicitly, this policy took as given the policy baseline in 2021 in which all new construction was all-electric. As of 2024, this is no longer the case, with the Ninth Circuit having overturned Berkeley's landmark natural gas ban.

Building Codes have the potential to address electrification at time of replacement and renovation as well as backfill the City's existing policy objectives of all-electric new construction. The California Building Standards Code (Title 24), which is updated every three years, provides pathways for local amendments that go beyond the increasingly stringent state baselines for energy efficiency and environmental quality. As the next triennial code cycle is approaching (commencing in January 2026), Berkeley is already undertaking the process to update local codes to comply with the new standards, providing a perfect opportunity to develop further amendments or ordinances to reduce natural gas use in new and existing buildings.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

Policies developed by staff and adopted by Council would reduce greenhouse gas emissions in new and existing buildings, as well as reduce the presence of toxic byproducts of natural gas combustion.

RATIONALE FOR RECOMMENDATION

There is an urgent need for a policy backstop to ensure all-electric new and existing buildings, and there is an existing legislative process underway that can be utilized to reduce the marginal effort required by the City to adopt such policies.

ALTERNATIVE ACTIONS CONSIDERED

None.

CITY MANAGER

The City Manager concurs with the content and recommendations of the Commission's Report.

CONTACT PERSON

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