



Memorandum

Date: July 28, 2026
To: Mayor and Members of the City Council
From: Trudi Ryan, Director of Community Development
Through: Tim Kirby, City Manager
Subject: RTC 26-0007

Introduce an Amending Ordinance No. 3248-25 and Title 16 (Buildings and Construction) of the Sunnyvale Municipal Code to Supplement the Findings and Revise the Recently Adopted 2025 Triennial California Building Code Amendments with Clarifications Related to the Energy Code and Green Building Code and Make Minor Corrections

PURPOSE

The purpose of this memorandum is to inform the Council of changes made to the proposed ordinance since it was originally posted for the July 28, 2026 Council meeting. Specifically, staff has removed previously proposed language expanding enforcement of the City's electric readiness program that could conflict with the State's construction code. The staff recommendation now refers to the revised ordinance which is Attachment 4.

ALTERNATIVES

1. Introduce an Ordinance (Attachment 4 to the report) amending the findings of Ordinance No. 3248-25 and making other amendments providing clarifications and minor corrections.
2. Alternative 1 with modifications.
3. Do not introduce the Ordinance and provide further direction to staff.

RECOMMENDATION

Alternative 1: Introduce an Ordinance (Attachment 4 to the report) amending the findings of Ordinance No. 3248-25 and making other amendments providing clarifications and minor corrections.

DISCUSSION / UPDATES

The passage of AB 130, which placed a moratorium on certain construction code revisions affecting all residential construction including single-family, duplex, townhomes, and multifamily, has created an unintended conflict with the approval processes for the California Energy Commission (CEC) and the California Building Standards Commission (CBSC).

Under the Warren-Alquist Act, the CEC is responsible for adopting and implementing cost-effective building energy efficiency standards (California Energy Code). If a city wants to adopt stricter requirements to reduce greenhouse gases further, it must demonstrate that the cost impact on a building will not increase. The CEC must approve these stricter requirements before enforcement can begin. Changes to California building codes, including the California Energy Code, must also be reviewed and approved by the CBSC before enforcement can begin.

AB 130 was signed into law on June 30, 2025, and established a moratorium on state and local agencies adopting new or more restrictive residential building standards, with an exception carved out for reach codes. The official enforcement date for the moratorium was October 1, 2025. Because the legislation was broadly written, implementation guidance from the CEC and CBSC was delayed while both commissions determined how the law would be interpreted and enforced.

Since AB 130 does not permit changes to the residential code requirements effective after October 1, 2025, organizations and consortiums of cities decided to proactively adopt planned new reach code requirements before October 1, so that future reach codes cannot be seen as a new requirement to the residential codes, but an update to the residential codes, which includes the California Energy Code.

As outlined in the original staff report, the original ordinance provides added language to close a loophole for installers of Sunnyvale's electric readiness program. Consultants retained by Silicon Valley Clean Energy, who have been advising the City and working directly with the Energy Commission, believed this additional language would be accepted by the CEC, but upon further review, not by the CBSC. Staff and the consultant now anticipate that the CBSC will view this ordinance revision closing the loophole as a new residential requirement and cannot be accepted since it would violate AB 130. Staff, in agreement with the consultant, have decided to remove the language to ensure this ordinance will be approved by both the CEC and the CBSC.

PREPARED BY:

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REVIEWED BY:

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