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Assistant Director Miner clarified that staff did not receive any public comments related to the continuance staff report and that her correspondence will be included in the full staff report that will be presented at the April 8, 2019 Planning Commission meeting.

Chair Howard stated the importance of both submitting written correspondence and addressing the Planning Commission at the public hearings and thanked Ms. Silva for her comments.

Chair Howard closed the Public Hearing.

MOTION: Commissioner Howe moved and Commissioner Harrison seconded the motion for Alternative 1 - Open the Public Hearing and continue to the Planning Commission meeting of April 8, 2019.

The motion carried by the following vote:

Yes: 6 - Commissioner Weiss

Chair Howard

Commissioner Howe Commissioner Olevson Commissioner Rheaume Commissioner Harrison

No: 0

Absent: 1 - Vice Chair Simons

Assistant Director Miner stated that this item will be continued to the Planning Commission for consideration at the Monday, April 8, 2019 meeting and that the continuance of the item to that date serves as the notice to the public.

Chair Howard thanked members of the public for attending the meeting.

3 <u>19-0395</u>

Green Building Program Update: Forward a recommendation to the City Council to Adopt a Resolution to Update the Green Building Program for Residential Projects, Nonresidential Projects, and Public Facilities, and Find that the Action is Exempt from CEQA Pursuant to CEQA Guidelines Sections 15308, 15061(b)(3), and 15378(b).

Principal Planner Amber Blizinski stated that she and Chief Building Official Chuck

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Clark are available to answer the Commissioners' questions and that Associate Planner Kelly Cha will present the staff report.

Associate Planner Cha presented the staff report.

Commissioner Rheaume thanked staff for a clear, comprehensive report. He stated his concern with an incentive that allows some design reviews to be evaluated at a staff level. Principal Planner Blizinski answered that staff currently process some types of design reviews and that the goal of the incentive is for single family homeowners to increase their green points or go all electric. Commissioner Rheaume confirmed with Principal Planner Blizinski that a staff level review process takes up to two months and a Planning Commission review takes up to three months.

Commissioner Harrison thanked staff for proposing incentives associated with single family home additions. She confirmed with Principal Planner Blizinski that the incentives apply to additions of any size and with Chief Building Official Clark that gas lines would be disconnected at the building as opposed to the street. Commissioner Harrison commented that induction cooktops are different than electric cooktops and cited that induction cooktops make up approximately 30% of the market.

Commissioner Weiss acknowledged Associate Planner Cha for a clear and impressive staff report. She asked staff if they have studied the reliability of the city's electric grid. Principal Planner Blizinski stated that staff consulted with the Environmental Services Department and Silicon Valley Clean Energy and that they are confident in its reliability. Commissioner Weiss asked staff if accessory dwelling units would no longer be required to be equipped with new gas lines. Chief Building Official Clark stated that the homeowner can choose between gas or electric but that using the existing line is required. He added that the proposed incentive and the forthcoming electrification reach codes might change this requirement. Commissioner Weiss confirmed with Principal Planner Blizinski that the Leadership in Energy and Environmental Design (LEED) and Built It Green programs address the use of sustainable and recyclable construction materials and that the goal is to update the Green Building Program every two to three years. Commissioner Weiss asked staff the definition of a major alteration. Chief Building Official Clark answered that removing 50% or more of a house's exterior walls during a remodel results in a new dwelling, a definition consistent with jurisdictions throughout the Peninsula.

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Commissioner Olevson commented that the report was a lot of information to digest and that he is concerned that some homeowners would not be able to make the alterations to their homes for financial reasons. He confirmed with Principal Planner Blizinski that the incentives are only encouraged and not required. He stated that some developers have expressed that full electrification is not possible for some developments. Principal Planner Blizinski stated that it may be difficult for some developers but that staff has concluded that the incentive is reasonable. Commissioner Olevson confirmed with Chief Building Official Clark that it costs approximately \$2K maximum to disconnect a gas line at the house. Chief Building Official Clark acknowledged that the State's efforts to reduce carbon footprints with every code cycle may be costlier for homeowners and the building industry.

Commissioner Olevson asked staff to explain the design phase credits process. Principal Planner Blizinski stated that for a building to receive a certificate of occupancy, the LEED Accredited Professional must write a letter to the City certifying that the design plans meet the required standards. Chief Building Official Clark added that the certification takes places after the building has been occupied and the systems have been tested.

Commissioner Howe asked staff how long it takes and how much it costs for a proposed project to move from the application to certification phase. Chief Building Official Clark added that it can add approximately a few more months to a project and cost approximately \$3.5K to \$5K for a rater to complete the certification process. Commissioner Howe asked staff if proposed projects that have not yet been approved would be subject to the current program. Principal Planner Blizinski answered that proposed projects approved after July 1, 2019 would be subject to the new program if approved by City Council but that staff have shared the proposed program with applicants whose proposed projects are not yet complete. Chief Building Official Clark added that proposed projects are subject to the current codes at the time of their building permit application. Assistant Director Andrew Miner added that approximately 80% to 90% of the current applications not yet complete and substantially complete applications would fall under the current program.

Commissioner Harrison explained that there is a marginal cost to homeowners to upgrade to electric appliances while renovating and that those appliances are significantly more efficient.

Chair Howard confirmed with Commissioner Harrison that most often there is no

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difference in cost between gas and induction ranges but that it costs more to use a gas coil.

Chair Howard asked staff if wood fireplaces and stoves are allowed with new construction. Chief Building Official Clark stated that gas fireplaces and stoves are now required for new construction but that wood fired stoves are allowed for commercial use. Chair Howard confirmed with Assistant Director Miner that oil and coal burning does not take place in the city, that wood burning fireplaces have been prohibited in new construction due to air quality concerns, and that gas burning may eventually be prohibited if the City decides to pursue electricity only as a source of power.

Chair Howard opened the Public Hearing.

Zachary Kaufman stated that he prefers that photovoltaic panels are required for new Class A offices.

Scott Shell, architect, stated his recommendation for further incentivizing applicants for the minimum standards by allowing them to just follow the States codes if going electric which would result in the reduction of paperwork and time and cost savings. He added that electric systems are cost competitive.

Chair Howard asked staff to comment on Mr. Shell's recommendation of following just the State codes as an incentive for going electric. Principal Planner Blizinski stated that the option will be discussed further as the reach codes and new building codes are implemented. Senior Assistant City Attorney Rebecca Moon stated that the option would require further study, an ordinance amendment, and more California Environmental Quality Act (CEQA) review.

Chair Howard closed the Public Hearing.

MOTION: Commissioner Harrison moved and Commissioner Howe seconded the motion for Alternative 1 - Forward a recommendation to the City Council to Adopt a Resolution (Attachment 2 to the report) to Update the Green Building Program for Residential Projects, Nonresidential Projects, and Public Facilities and Find that the Action is Exempt from CEQA Pursuant to CEQA Guidelines Sections 15308, 15061(b)(3), and 15378(b).

Commissioner Harrison stated that she agrees that the State codes are easier to

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follow but that the City's proposed incentives allows it to become a leader in the sustainability field and gives developers and homeowners significant advantages. She thanked staff for creating incentives associated with housing additions.

Commissioner Howe stated that creating incentives that improve climate change is a good effort to support.

Commissioner Olevson stated that he will not support the motion because he did not have enough time to compare all the program's pros and cons and because he believes some developers like the Jay Paul Company would have difficulty selling property or obtaining tenants if they took advantage of the incentive program.

Chair Howard asked staff if he could make a friendly amendment to require prewiring of electric lines as part of the proposed plan. Chief Building Official Clark stated that the current building codes address that in some instances. Principal Planner Blizinski stated that applicants are welcome to do this but that the City needs to further study the issue to make it a minimum threshold. Chair Howard withdrew his potential friendly amendment.

Chair Howard stated that he is in support of the motion and eventually moving toward electrification. He added that he appreciates Commissioner Olevson's concerns about the incentives' cost but that he thinks that it is more important to combat climate change and that Silicon Valley should lead efforts to achieve a more sustainable economy.

The motion carried by the following vote:

Yes: 5 - Commissioner Weiss

Chair Howard

Commissioner Howe
Commissioner Rheaume
Commissioner Harrison

No: 1 - Commissioner Olevson

Absent: 1 - Vice Chair Simons

Assistant Director Miner stated that this recommendation will be forwarded to the City Council for consideration at the Tuesday May 7, 2019 meeting.

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Chair Howard asked staff if it is possible to propose a motion that supports an all electric future for Sunnyvale, similar to the supportive motion the Sustainability Commission passed. Assistant Director Miner stated that staff's recommendation is to allow staff to research the all electric approach while it implements the interim incentive approach.

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

NON-AGENDA ITEMS AND COMMENTS

-Commissioner Comments

-Staff Comments

Assistant Director Andrew Miner stated that the City Council will consider the Climate Action Playbook at a Study Session at 5:30 PM on Tuesday, March 26, 2019. He explained that the Climate Action Plan 2.0 will be developed from the playbook.

ADJOURNMENT

Chief Howard adjourned the meeting at 8:25 PM.