

DATE:	November 18, 2024
TO:	Council Sustainability Committee
FROM:	Director of Public Works
SUBJECT:	Proposed Reach Code Amendments to EV Charging Requirements

RECOMMENDATION

That the Council Sustainability Committee (CSC) reviews this report and provides a recommendation to Council to adopt an ordinance amending the Reach Code to modify the City's electric vehicle (EV) charging requirements.

SUMMARY

Hayward's current Reach Code took effect on January 1, 2023. The Reach Code ordinance modifies and goes beyond the State building code to require:

- All new non-residential buildings that include natural gas infrastructure, must be "electric ready", meaning they have the wiring, electrical capacity and space needed to be converted to an all-electric building in the future.
- All new buildings, and modifications to existing buildings resulting in new parking spaces, must have electric vehicle (EV) charging infrastructure above and beyond that required by the California Green Building Standards Code.

There are updated requirements in the California Green Building Standards Code (CalGreen) that took effect on July 1, 2024, including several related to EV charging infrastructure. This new CalGreen code, even with the updates, still requires less charging infrastructure than Hayward's current Reach Code. However, Hayward's Reach Code is currently unenforceable because it does not include the new technical requirements from CalGreen.

In addition to incorporating the 2024 CalGreen amendments, staff recommends also incorporating the minor changes to EV charging requirements in the recently adopted 2025 CALGreen standards that will take effect on January 2026. Including these standards in the updated Reach Code would eliminate the need to update Hayward's EV charging requirements again in 2025. Staff is seeking direction from the CSC and a recommendation to the full Council to adopt an ordinance that would update Hayward's Reach Code.

BACKGROUND

State law allows local jurisdictions to adopt ordinances that amend the California Building Standards Code. The ordinances are commonly referred to as reach codes. Out of approximately 540 cities and counties in California, more than sixty local governments have adopted reach codes to encourage or require all-electric construction as well as electric vehicle charging infrastructure. Hayward adopted its first Reach Code on March 3, 2020. Hayward's current Reach Code was adopted on November 15, 2022¹ and was readopted on June 6, 2023² with minor technical revisions. The purpose of the ordinance is to reduce the use of fossil fuels – both in buildings and in vehicles. The ordinance modifies CalGreen to require:

- a) All new residential buildings, including mixed-use buildings, must be all electric.
- b) All new non-residential buildings for which natural gas infrastructure is installed, must be "electric ready", meaning they have the wiring, electrical capacity and space needed to be converted to an all-electric building in the future.
- c) All new buildings, and modifications to existing buildings resulting in new parking spaces, must have electric vehicle (EV) charging infrastructure above and beyond that required by the CalGreen Code.

As reported to the CSC on March 11, 2024³, staff is no longer enforcing the Reach Code requirements prohibiting installation of natural gas infrastructure in new residential construction (item 'a' above). This is in response to the Ninth Circuit Court of Appeals ruling on January 2, 2024, regarding the City of Berkeley's gas ban. Item 'b' is still in effect. Item 'c', EV charging requirements, are no longer enforceable due to recent changes to CalGreen. Staff is proposing amendments to this portion of the Reach Code so that Hayward-specific EV charging requirements will again be enforceable.

DISCUSSION

Given California's requirement that all new passenger vehicles be zero emission by 2035, the number of EVs on the road and the demand for EV charging both continue to increase. For this reason, the state is gradually increasing code requirements for EV charging infrastructure. The CalGreen is updated every three years. The current code is the 2022 CalGreen, which is in effect from January 1, 2023, through December 31, 2025. The 2025 CalGreen Code will take effect in January 2026. The California Building Standards Commission also adopts minor amendments to CalGreen in the middle of each triannual cycle. This "intervening code cycle" occurs every 18 months. This year's intervening code amendments took effect on July 1, 2024, and include several related to EV charging requirements. Hayward is not required to have a Reach Code, but in order to have a Reach Code that meets the legal requirements of the California Building Standards Commission, it needs to be amended to incorporate the intervening cycle changes and must continue to require charging infrastructure that is equivalent to or more stringent than the state code.

¹ https://hayward.legistar.com/LegislationDetail.aspx?ID=5936054&GUID=8FFD9DC8-3B84-4362-96C4-67C41B3FBED4&Options=&Search=

² https://hayward.legistar.com/LegislationDetail.aspx?ID=6247758&GUID=10E0620B-A871-4725-B18F-696FBDAF87B6&Options=&Search= ³ https://hayward.legistar.com/LegislationDetail.aspx?ID=6569388&GUID=F29400E0-5305-4176-975C-D436CFF616DF&Options=&Search=

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In addition to ensuring consistency with the intervening code amendments, staff recommends also incorporating the minor changes to EV charging requirements in the recently adopted 2025 CalGreen standards that will take effect on January 2026. Including the 2025 CalGreen standards in the updated Reach Code would eliminate the need to update Hayward's EV charging requirements again in 2025.

Most of the changes to the EV charging requirements in CalGreen are technical. The most significant changes that are relevant to Hayward's Reach Code are identified in Table 1 in Attachment II. The table lists the existing CalGreen requirements (column 'B') and the upcoming CalGreen requirements (column 'C'). Column 'D' lists the current Reach Code requirements along with proposed amendments and column 'E' includes explanations of the effects of the proposed amendments. If Hayward's Reach Code is not updated, then the requirements listed in column D will no longer be enforceable. This would mean that new development projects would only be required to install charging infrastructure listed in columns B and C, which are less stringent than Hayward's Reach Code.

<u>Other New CalGreen Requirements</u> – Following are additional new requirements in the intervening CalGreen that must be incorporated into Hayward's Reach Code. The new code:

- Specifies receptacle types required.
- Specifies a minimum number of J1772 chargers. (The J1772 is the most common type of connector used for Level 2 charging in North America. It's compatible with most EV models and is used for both at-home and public charging.)
- Multifamily:
 - Specifies requirements for assigned versus unassigned parking spaces, including metering to individual dwelling units.
- Non-residential:
 - Offers an alternative compliance pathway, the Power Allocation Method.
 - Requires medium and heavy-duty EV charging for off street loading spaces for office buildings and manufacturing facilities. The previous version of CalGreen only required this for warehouses, grocery stores, and retail stores.
- Existing Non-Residential:
 - Extends charging requirements to alterations and additions, including addition of solar photovoltaic systems.

ECONOMIC IMPACT

The Reach Code requirements for EV charging infrastructure do increase the cost of construction; however, future residents or employees can benefit from the cost savings of operating an EV compared to a gasoline vehicle. For additions and alterations to existing buildings, compliance with EV charging requirements can significantly increase overall project costs. However, significant savings can be realized when installing EV charging infrastructure at the time of new construction as compared with the retrofit of an existing building or existing parking lot.

FISCAL IMPACT

Updating the Reach Code with new EV charging requirements will not result in an impact to the General Fund. The amendments needed to keep the Hayward Reach Code consistent with CalGreen are fairly technical. Staff is currently working with a consultant, TRC Companies, Inc., to prepare the updated Reach Code ordinance. The cost of the consultant's assistance is anticipated to be less than \$10,000 and will be paid from existing Environmental Services Division funds.

STRATEGIC ROADMAP

This agenda item supports the Strategic Priority to *Champion Climate Resilience & Environmental Justice*, and specifically relates to implementation of the following Project under that heading:

<u>Reduce Greenhouse Gases and Dependency on Fossil Fuels:</u> Project CP1: Implement Year 1 Programs from the adopted GHG Roadmap (Climate Action Plan).

SUSTAINABILITY FEATURES

Convenient and reliable EV charging is a necessary part of our transition to the use of electric vehicles, which will be a key strategy for meeting the City's long term GHG reduction goals. These goals include:

- 30% below 2005 levels by 2025
- 55% below 2005 levels by 2030
- work with the community to develop a plan that may result in the reduction of community based GHG emissions to achieve carbon neutrality by 2045

PUBLIC CONTACT

Staff sent an email to builders and developers to let them know about the proposed amendments and this CSC meeting. Staff will summarize responses during the meeting.

NEXT STEPS

Upon direction from the Committee, staff will prepare an amended Reach Code incorporating the new EV charging requirements. Staff anticipates presenting the ordinance to Council in December. Alternatively, if an amended Reach Code ordinance is not presented to Council, then the EV charging requirements would continue to default to the CalGreen requirements.

Staff intends to return to the Committee in 2025 to present proposed updates to the allelectric building requirements in the Reach Code in response to the legal issues identified in the court ruling regarding the Berkeley gas ban. Prepared by:Ava Samuels, Climate Action FellowErik Pearson, Environmental Services Manager

Recommended by: Alex Ameri, Director of Public Works

Approved by:

Dustin Claussen, Interim City Manager