

## Notice of Exemption

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To:  Office of Planning and Research  
1400 Tenth Street  
Sacramento, CA 95814

From: City of San Luis Obispo  
Community Development Department  
919 Palm Street  
San Luis Obispo, CA 93401-3218

County Clerk  
County of San Luis Obispo  
1144 Monterey Street, Suite A  
San Luis Obispo, CA 93408

**Applicant Address:**  
City of San Luis Obispo  
**Email:** mcodron@slocity.org  
**Phone Number:** (805) 781.7187

**Project Title:** POLICY FOR CLEAN ENERGY CHOICE FOR NEW BUILDINGS AND IMPLEMENTATION MEASURES INCLUDING AN ORDINANCE APPROVING LOCAL AMENDMENTS TO THE ENERGY CODE AND AN ORDINANCE ESTABLISHING REGULATORY FLEXIBILITY FOR A LIMITED TERM TO SUPPORT ALL-ELECTRIC NEW BUILDINGS

**Project Location - Specific:** Citywide  
**Project Location - City:** San Luis Obispo

**Project Location - County:** San Luis Obispo

### Description of Project:

A program is entitled “Clean Energy Choice Policy for New Buildings” that by adoption of a Resolution establishes a policy that new buildings should be all-electric. The program includes adoption of two ordinances (described below) and an incentive program to assist with the transition to designing and building all-electric new buildings.

Ordinance No. 1684 (2020 Series) – Pursuant to Public Resources Code Section 25402.1(h)(2) and Section 10-106 of the Building Energy Efficiency Standards, the City adopted an Ordinance that amends Title 15 of the City’s Municipal Code, adding local amendments to the California Energy Code for new buildings as part of a “Clean Energy Choice” program to encourage that new buildings be all-electric and that energy use in new buildings should not cause net additional greenhouse gas emissions. The local amendments to the California Energy Code include requiring solar panels on new nonresidential buildings, requiring new buildings with natural gas to be built to a substantially higher performance standard, and requiring new residential buildings with natural gas to include “retrofit ready” requirements. The Ordinance includes findings that the amendments are “cost effective” and use less energy than the standard state requirements. There are several exemptions in the ordinance including natural gas use in commercial kitchens. The ordinance only applies to new buildings. It does not apply to existing buildings with natural gas appliances even if that building is sold, renovated or changes use.

Ordinance No. 1685 (2020 Series) – The Ordinance amends Title 17 of the City’s Municipal Code (Zoning Code) in order to provide limited term regulatory flexibility in support of all-electric new buildings. The Ordinance amends Chapter 17.70 Site Development and General Development Standards, and provides the Director of Community Development authority to grant minor allowances for certain site development standards when there are no practical ways to design a project to be all electric and no other feasible alternatives will result in better implementation of Zoning Regulations or General Plan policies while allowing reasonable use of sites. The regulatory flexibility will be in effect for a limited time in order to address design challenges that may arise during the initial transition period to all-electric buildings and is proposed to run from September 1, 2020 to December 31, 2022.

**Name of Public Agency Approving the Project:** City of San Luis Obispo

Name of Person or Agency Carrying Out the Project: City of San Luis Obispo

Exempt Status (check one):

- Ministerial (Section 21080(b)(1); 15268;
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c)
- Categorical Exemption. State type and section number: 15308, 15303
- Statutory Exemptions. State code number:
- General Rule Exemption (Sec. 15061(b)(3))

Reasons why project is exempt:

The Clean Energy Choice Program for New Buildings is categorically exempt from CEQA because they constitute actions taken by a regulatory agency for the purpose of protecting the environment (CEQA Guidelines Section 15308). In addition, the ordinances are exempt from CEQA under the General Rule, 15061(b)(3), on the grounds that these standards are more stringent than the State energy standards, there are no reasonably foreseeable adverse impacts, and there is no possibility that the activity in question may have a significant effect on the environment. The ordinance to provide regulatory flexibility is additionally categorically exempt from environmental review under the Class 3 exemptions for (1) construction and location of limited numbers of new small facilities or structures (2) installation of small new equipment and facilities in small structures (15303 CEQA Guidelines).

Lead Agency

Contact Person: Teresa McClish Area Code/Telephone/Ext. (805) 783-7840 Email: tmcclish@slocity.org

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a notice of exemption been filed by the public agency approving the project?  Yes  No

Signature:  Date: 7/8/2020

Title: Tyler Corey, Principal Planner

Signed by Lead Agency Date Received for Filing at OPR: \_\_\_\_\_