

ORDINANCE NO. 2025-22

AN ORDINANCE OF THE CITY OF SANTA CRUZ AMENDING MUNICIPAL CODE CHAPTER 18.15 - ENERGY CODE, ADOPTING LOCAL AMENDMENTS TO THE CALIFORNIA ENERGY CODE, PART 6 OF THE CALIFORNIA BUILDING CONSTRUCTION AND FIRE PREVENTION CODE TO REQUIRE ENERGY CONSERVATION MEASURES FOR CERTAIN HEATING, VENTILATION, AND AIR CONDITIONER REPLACEMENTS AND INSTALLATIONS IN EXISTING NONRESIDENTIAL BUILDINGS

WHEREAS, The State of California has a goal to achieve carbon neutrality by 2045; and

WHEREAS, The California Air Resources Board (CARB) has introduced zero-emission appliance standards with a phased implementation beginning in 2027 to reduce greenhouse gas emissions and improve air quality, with an expectation that all new space and water heaters sold in California meet zero-emission standards by 2030; and

WHEREAS, The City adopted its Climate Action Plan 2030 (CAP 2030) in 2022 with a legal target to reduce emissions 40% from 1990 levels by 2030 and an aspirational target of carbon neutrality by 2035, 10 years earlier than the State target; and

WHEREAS, The CAP 2030 contains three measures related to existing building energy use which accounts for 24% of greenhouse gas emissions regulated by CARB, including Measure BE-2, to electrify 31% of existing residential buildings by 2030 and 53% by 2035; Measure BE- 3, to electrify 26% of existing commercial buildings by 2030 and 45% by 2035; and Measure BE- 5 is to increase resiliency through equitable energy efficiency and local solar programs; and

WHEREAS, Public Resources Code Section 25402.1(h)(2) allows local agencies to adopt local amendments that are cost-effective and that require greater energy reduction/conservation than the California Energy Code; and

WHEREAS, the California Energy Codes and Standards Statewide Utility Program, has determined specific modifications to the 2025 State Energy Code for each climate zone that are cost-effective; and that such modifications will result in designs that consume less energy than they would under the 2025 State Energy Code; and

WHEREAS, staff has reviewed the "2025 Statewide Nonresidential Alterations and AC to HP Cost-Effectiveness Study" and associated data, and find them sufficient to illustrate compliance with the requirements set forth under California Administrative Code Chapter 10-106; and

WHEREAS, based on these studies, the City finds the proposed local amendments to the 2025 California Energy Code to be cost-effective and consume less energy than permitted by Title 24, Part 6; and

WHEREAS, pursuant to Sections 17958.5, 17958.7, and 18941.5 of the Health and Safety Code, the proposed amendments meet the following conditions to demonstrate local amendments are necessary; and

WHEREAS, the 2025 California Energy Code offers compliance options that were established through the public rulemaking process of the code update; and

WHEREAS, pursuant to California Health and Safety Code Section 17958.7, the Council expressly declares that the proposed amendments to the Energy Code are reasonably necessary because of local climatic, topological, and geological conditions within the City of Santa Cruz; and

WHEREAS, the requirements specified in this Ordinance were reviewed via public comment and through a publicly noticed public hearing process; and

WHEREAS, that, pursuant to the Public Resources Code section 25402.1(h)(2) and Section 10-106 of the 2025 California Administrative Code, the City Council of the City of Santa Cruz finds and determines the following: (1) The locally adopted energy efficiency standards contained in this ordinance are cost-effective, and (2) the efficiency standards in this ordinance will require buildings to be designed to consume less energy compared to the 2025 California Energy Code; and

WHEREAS, The municipal code amendments are consistent with the Negative Declaration approved for the City of Santa Cruz 2030 Climate Action Plan adopted by City Council on September 13, 2022, and therefore, no further environmental review under the California Environmental Quality Act (CEQA) is required; the amendments are exempt from CEQA under the general rule, 15061(b)(3), because it can be seen with certainty that the provisions contained herein would not have the potential for causing a significant effect on the environment; and, this ordinance is exempt per CEQA Guidelines Section 15308, Class 8, Actions by Regulatory Agencies for Protection of Natural Resources, since the proposed ordinance would institute regulatory requirements intended to protect the environment and natural resources.

WHEREAS, this ordinance shall become effective as of **January 1, 2026** upon approval of the California Energy Commission or upon the date the California Building Standards Commission accepts the ordinance for filing, whichever is later.

BE IT ORDAINED By the City of Santa Cruz as follows:

Section 1. Incorporation of Recitals. The foregoing recitals are found to be true and correct, and are incorporated by this reference into this action.

Section 2. Findings.

- (a) Pursuant to the Public Resources Code section 25402.1(h)(2) and Section 10-106 of the 2025 California Administrative Code, City Council finds and determines the following: (1) The locally adopted energy efficiency standards

contained in this ordinance are cost-effective, and (2) the efficiency standards in this ordinance will require buildings to be designed to consume less energy compared to the 2025 California Energy Code.

(b) The Council finds and declares that the unique characteristics of the topographic, geologic, and climatic conditions found in the City of Santa Cruz make the local amendments to the 2025 California Energy Code reasonable and necessary, and adopts the following findings of fact in support of the changes or modification contained herein:

(i) The City of Santa Cruz's northern and western neighborhoods abut the Santa Cruz Mountains, creating a wildland-urban interface and heightened fire risk. The 2020 CZU Lightning Complex fire showed that large, fast-moving wildfires can reach these areas. Cutting local greenhouse-gas pollution is a practical way to lessen the frequency and intensity of future fires.

(ii) Since 2021 the City has faced several destructive flood events. A late-January 2021 atmospheric-river storm triggered debris-flow, causing evacuations. Between December 30, 2022, and January 18, 2023, several atmospheric rivers overtopped the San Lorenzo River, damaged downtown levees and coastal infrastructure. Finally, a powerful winter storm in December 2024 partially collapsed the Santa Cruz Municipal Wharf, leading Governor Newsom to issue an emergency proclamation on February 14, 2025. These recent disasters underscore that greenhouse-gas emissions are amplifying flood hazards. Accordingly, more restrictive local Energy Code measures are reasonably necessary to safeguard public health, safety, and welfare.

(iii) In January 2023, successive atmospheric-river storms overwhelmed the Coast Pump Station on the San Lorenzo River, ruptured the Newell Creek Pipeline, the city's lone conduit from Loch Lomond Reservoir to the Graham Hill Water Treatment Plant, and pushed raw-water turbidity at the plant to its highest level on record. These escalating, climate-linked disruptions to critical infrastructure make the Ordinance's stricter local Energy Code requirements a necessary safeguard for public health, safety, and welfare.

(iv) Santa Cruz occupies a narrow marine terrace bounded by 15- to 30-foot mudstone cliffs along West Cliff Drive and the San Lorenzo River. This layout channels storm waves onto easily eroded bluffs and funnels runoff into downtown, as seen when the January 2023 bomb-cyclone washed out parts of West Cliff and a December 2023 surge increased damages to over \$30 million. The City's Local Hazard Mitigation and Climate Adaptation Plan (2025-2030) ranks these cliffs and the river plain as high-risk for erosion, liquefaction, and quake impacts. To slow erosion, temper storm

intensity, and protect key corridors, stricter Energy Code measures that curb greenhouse-gas emissions are essential.

- (v) Given the unique geological, topographical, and climatic characteristics of Santa Cruz, failure to address and substantially reduce greenhouse gas emissions creates an increased risk to the health, safety, and welfare of City residents.

Section 3. Section 18.15.040 of Chapter 18.15 of the Santa Cruz Municipal Code is hereby amended to read as follows:

18.15.040 ENERGY CODE — MODIFICATIONS.

The following sections of the code as adopted in Section 18.15.030 are hereby modified as follows:

Section 100.1(b) of the CEnC is amended to add the following:

MAJOR ADDITION is any change to an existing building that increases conditioned floor area by 350 or more square feet in a one-year period.

MAJOR ALTERATION is any construction or renovation to an existing structure other than a repair whose altered components cover 350 or more square feet in a one-year period. A project that consists only of roof and/or fenestration replacement is not considered a major alteration.

Section 130.0 of the CEnC is amended to read as follows:

- a) The design and installation of all lighting systems and equipment in nonresidential and hotel/motel buildings, outdoor lighting, and electrical power distribution systems within the scope of Section 100.0(a), shall comply with the applicable provisions of Sections 130.0 through 130.6.

Subchapter 4 of the CEnC is amended to add Section 130.6 to be numbered, entitled, and to read as follows:

130.6 Electric Readiness Requirements for Systems Using Gas or Propane

Where nonresidential systems using gas or propane are installed, construction drawings shall indicate electrical infrastructure and physical space accommodating the future installation of an electric heating appliance by including the following, as certified by a registered design professional or licensed electrical contractor:

- a. Branch circuit wiring, electrically isolated and designed to serve all electric heating appliances in accordance with manufacturer requirements and the California Electrical Code, including the appropriate voltage, phase, minimum amperage, and an electrical receptacle or junction box within five feet of the appliance that is accessible with no obstructions. Appropriately sized conduit may be installed in lieu of conductors.

- b. Labeling of both ends of the unused conductors or conduit that includes the terms "For Future Electrical Appliance."
- c. Reserved circuit breakers in the electrical panel for each branch circuit, appropriately labeled (e.g., "Reserved for Future Electric Range"), and positioned on the opposite end of the panel supply conductor connection.
- d. Connected subpanels, panelboards, switchboards, busbars, and transformers that are sized to serve the future electric heating appliances. The electrical capacity requirements shall be adjusted for demand factors in accordance with the California Electric Code.
- e. Physical space for future electric heating appliances, including equipment footprint, and if needed, a pathway reserved for routing of ductwork to heat pump evaporator(s), all of which shall be depicted on the construction drawings. The footprint necessary for future electric heating appliances may overlap with non-structural partitions and with the location of currently designed gas-fueled equipment.

Section 141.0(b)2C is amended to add a new subsection iii, to read as follows:

- iii. In addition to the requirements in Section 141.0(b)2Cii above, new or replacement single zone packaged rooftop systems with direct expansion cooling with rated cooling capacity of 65,000 Btu/hr or more and less than 240,000 Btu/hr serving Financial Institution, Grocery, Library, Office, School, or Retail occupancies shall meet the applicable requirements specified in Table 141.0-E-1A or shall meet the performance compliance requirements of Section 141.0(b)3.

Table 141.0-E-1A – REQUIREMENTS FOR NEW OR REPLACEMENT SZAC or SZHP, GREATER THAN 65,000 BTU/HR AND LESS THAN 240,000 BTU/HR

System Size	CZ 3
65,000 to 240,000 Btu/hr	SZHP or SZAC3

Notes to Table 141.0-E-1A

SZHP – Single Zone Heat Pump

SZAC3 – Single Zone Air Conditioner with Furnace + Heat Recovery Ventilator

Exception 1 to Section 141.0(b)2Ciii: Where the capacity of the existing main electrical service panel is insufficient to supply the electrical capacity of a heat pump and where the existing main electrical service panel is sufficient to supply a new or replacement air conditioner, as calculated according to the requirements of California Electrical Code Article 220. Documentation of electrical load calculations in accordance with Article 220 must be submitted to the enforcement agency prior to permitting for both the heat pump and proposed air conditioner.

Section 150.0 of the CEnC is amended as follows:

Single-family residential buildings shall comply with the applicable requirements of Sections 150(a) through 150.0(w).

NOTE: The requirements of Sections 150.0 (a) through (v) apply to newly constructed buildings. Sections 150.2(a) and 150.2(b) specify which requirements of Sections 150.0(a) through 150.0(r) also apply to additions or alterations. Major Additions, Major Alterations, or combinations shall also be required to comply with Section 150.0(w). The City of Santa Cruz amendments to sections 150.0 (t) do not apply to additions or alterations or the following types of new construction statewide exemption accessory dwelling units:

1. One accessory dwelling unit per lot with a proposed single-unit building, including a single-family dwelling, or a townhome, or a detached residential condominium or apartment unit on a lot with multiple single-unit buildings, if all of the following apply:
 - i. The accessory dwelling unit is within the proposed space of a single-unit building.
 - ii. The accessory dwelling unit has an exterior entrance separate from that of the primary dwelling unit.
 - iii. The side and rear setbacks are sufficient for fire and safety.
2. One detached, new construction accessory dwelling unit per lot that meets the following standards:
 - i. The accessory dwelling unit shall be located on a lot with a proposed or existing single-unit building, including a single-family dwelling, or a townhome, or a detached residential condominium or apartment unit on a site with multiple single-unit buildings.
 - ii. The accessory dwelling unit size shall not exceed 800 square feet in floor area.
 - iii. Interior side yard and rear yard setbacks shall be at least four feet.
 - iv. The accessory dwelling unit shall meet one of the following height limitations as measured to the roof peak:
 1. A height of 16 feet; or
 2. A height of 18 feet if the accessory dwelling unit is on a lot within one-half of one mile walking distance of a major transit stop or a high-quality transit corridor, as those terms are defined in Section 21155 of the Public Resources Code. This height can be increased an additional two feet to twenty feet to accommodate a roof pitch on the accessory dwelling unit that is aligned with the roof pitch of the primary dwelling unit.
3. One junior accessory dwelling unit per lot zoned to allow single-family dwellings and within the walls of a proposed single-unit building, including a single-family dwelling,

townhome, or detached residential condominium or apartment unit on a lot with multiple detached single-unit dwellings.

(a)—(v): Subsections 150.0(a)—(s) are adopted without modification.

t. Heat pump space heater ready. Systems using a gas or propane furnace to serve individual dwelling units shall include the following:

1. A dedicated 240-volt branch circuit wiring shall be installed within 3 feet from the furnace and accessible to the furnace with no obstructions. The branch circuit conductors shall be rated at 30 amps minimum. The blank cover shall be identified as "240V ready." All electrical components shall be installed in accordance with the California Electrical Code.
2. The main electrical service panel shall have a reserved space to allow for the installation of a double pole circuit breaker for a future heat pump space heater installation. The reserved space shall be permanently marked as "For Future 240V use."
3. A designated exterior location for a future heat pump compressor unit with either a drain or natural drainage for condensate and adequate space to maintain the equipment in accordance with California Mechanical Code 304.1 & California Electrical Code 110.26.

Section 150.0(w) is added to read as follows:

w. **Mandatory Requirements for Existing Building Additions and Alterations.** Existing Building Additions and Alterations shall meet the requirements of Items 1 through 3 below, as applicable:

1. **Major addition.** Any major addition shall require installation of a set of measures from the Measure Menu Table, Table 150.0-I to achieve a total score that is equal to or greater than 9. In addition, all mandatory measures listed in Table 150.0-I shall be installed. Measure verification shall be explicitly included as an addendum to the Certificate of Compliance to be filed pursuant to 2025 Title 24 Section 10-103. Installed measures shall meet the specifications in Table 150.0-J.
2. **Major alteration.** Any major alteration shall require installation of a set of measures from the Measure Menu Table, Table 150.0-I to achieve a total score that is equal to or greater than 9. In addition, all mandatory measures listed in Table 150.0-I shall be installed. Measure verification shall be explicitly included as an addendum to the Certificate of Compliance to be filed pursuant to 2025 Title 24 Section 10-103. Installed measures shall meet the specifications in Table 150.0-J.

3. **Combination alterations and additions.** Any project that includes an addition and alteration whose altered components cover 350 square feet or greater shall require installation of a set of measures from the Measure Menu Table, Table 150.0-I to achieve a total score that is equal to or greater than 9. In addition, all mandatory measures listed in Table 150.0-1 shall be installed. Measure verification shall be explicitly included as an addendum to the Certificate of Compliance to be filed pursuant to 2025 Title 24 Section 10-103. Installed measures shall meet the specifications in Table 150.0-J.
4. **Water heating system electric readiness.** Any project that includes a major addition, major alteration, or combination alteration and addition that requires water heating system electric readiness shall meet the requirements of section 150.0 (n)1:

Exception 1 to Section 150.0(w): The project is the result of a repair as defined by Title 24 Part 2 Section 202.

Exception 2 to Section 150.0(w): If compliance costs exceed 20% of total project valuation or due to conditions specific to the project, it is technically infeasible to achieve compliance through any available set of measures, the applicant may request an exemption as set forth below. In applying for an exemption, the burden is on the applicant to show hardship or infeasibility.

1. Application. Based on the following, the applicant shall identify in writing the specific requirements of the standards for compliance that the project is unable to achieve and the circumstances that make it a hardship or infeasible for the project to comply with this chapter. The applicant may not petition for relief from any requirement of the 2025 California Energy Code (Title 24, Part 6) and referenced standards, or the 2025 California Green Building Standards (Title 24, Part 11) of the California Building Standards Code. Circumstances that constitute hardship or infeasibility shall include one of the following:
 - i. That the cost of achieving compliance is disproportionate to the overall cost of the project;
 - ii. That it is technically infeasible to achieve compliance through all packages due to conditions specific to the project; That strict compliance with these standards would create or maintain a hazardous condition(s) and present a life safety risk to the occupants.
2. Granting of exemption. If the chief building official determines that it is a hardship or infeasible for the applicant to fully meet the requirements of this chapter and that granting the requested exemption will not cause the building to fail to comply with the 2025 California Energy Code (Title 24, Part 6) and referenced standards, or the 2025 California Green Building Standards (Title 24, Part 11) of the California Building Standards Code, the chief building official shall determine the minimum feasible threshold of compliance reasonably achievable for the project. If an exemption is granted, the applicant shall be

required to comply with this chapter in all other respects and shall be required to achieve the threshold of compliance determined to be achievable by the chief building official.

3. Denial of exemption. If the chief building official determines that it is reasonably possible for the applicant to fully meet the requirements of this chapter, the request shall be denied, and the applicant shall be notified of the decision in writing. The project and compliance documentation shall be modified to comply with the standards for compliance.
4. Appeal. Any aggrieved applicant or person may appeal the determination of the chief building official regarding the granting or denial of an exemption or compliance with any other provision of this chapter. An appeal of a determination of the chief building official shall be filed in writing with the Board of Building and Fire Appeals.

Exception 3 to Section 150.0(w): If the dwelling unit has previously installed measures from the Measure Menu, Table 150.0-1, and compliance can be demonstrated to the building official, then these measures shall not be required to be newly installed, and appropriate credit shall be included in the applicable compliance calculations.

Exception 4 to Section 150.0(w): The applicant may request an exemption to any requirements of this chapter which would impair the historic integrity of any building listed on a local, state, or federal register of historic structures, as determined by the Planning Director or designee and as regulated by the California Historic Building Code (Title 24, Part 8). In making a determination of exemption, the Planning Director or designee may require the submittal of an evaluation by an architectural historian or similar expert.

Exception 5 to Section 150.0(w): An alteration that consists solely of seismic safety improvements.

Exception 6 to Section 150.0(w): Buildings which are temporary (such as construction trailers).

Exception 7 to Section 150.0(w): An alteration that consists solely of roof and/or fenestration projects.

Exception 8 to Section 150.0(w): Mobile Homes, Manufactured Housing, or Factory-built Housing as defined in Division 13 of the California Health and Safety 12 Code (commencing with Section 17000 of the Health and Safety Code).

Exception 9 to Section 150.0(w): One accessory dwelling unit and one junior accessory dwelling unit per lot with a proposed or existing single-family dwelling if all of the following apply:

1. The accessory dwelling unit or junior accessory dwelling unit is within the proposed space of a single-family dwelling or existing space of a single-family dwelling or accessory structure and may include an expansion of not more than 150 square feet beyond the same physical dimensions as the existing accessory structure. An expansion beyond the physical dimensions of the existing accessory structure shall be limited to accommodating ingress and egress.

2. The space has exterior access from the proposed or existing single-family dwelling.
3. The side and rear setbacks are sufficient for fire and safety.

Exception 10 to Section 150.0(w): Where the project includes an accessory dwelling unit or junior accessory dwelling unit that is attached to the primary dwelling unit, either as a new addition or converted from within the space of the primary dwelling unit, and there is not an additional combination alteration/addition to the primary dwelling unit of at least 350 square feet, then the primary dwelling unit is exempt from the requirements.

Exception 11 to section 150.0(w): Single family homes built after December 31, 1991.

New Table 150.0-I is added to read as follows:

Table 150.0-I: Measure Menu

Measures	Table 150.0-J ID	Points
Water Heating Package	E1	1
Induction Cooktop	E2	1
Heat Pump Clothes Dryer	E3	1
Air Sealing	E4	2
Duct Sealing	E5	3
R-49 Attic Insulation	E6	4
Windows	E7	4
R-15 Wall Insulation	E8	5
New Ducts + Duct Sealing	E9	6
R-19 Floor Insulation	E10	9
R-30 Floor Insulation	E11	10
Heat Pump Water Heater (HPWH)	E12	12
Solar PV + Electric Ready Pre-Wire	E13	13
Heat Pump Space Heater	E14	18
Utility Room, Kitchen & Laundry-Related Electric Ready Pre-Wire	M1	Mandatory
Panel-Related Electric Ready Pre-Wire	M2	Mandatory
LED Lighting Upgrade	M3	Mandatory
Note: the measures in the Measure Menu shall conform to the specifications in Table 150.0-J		

New Table 150.0-J is added to read as follows: Table 150.0-J: Measure Specifications

ID	Measure Specification
General Measures	
E1	Water Heating Package: Add exterior insulation meeting a minimum of R-6 to existing storage water heaters. Insulate all accessible hot water pipes with pipe insulation a minimum of ¾ inch thick. This includes insulating the supply pipe leaving the water heater, piping to faucets underneath sinks, and accessible pipes

	<p>in attic spaces or crawlspaces. Upgrade fittings in sinks and showers to meet current California Green Building Standards Code (Title 24, Part 11) Section 4.303 water efficiency requirements.</p> <p>Water heaters 20 gallons or less, or water heaters that are not able to add exterior insulation may not take credit for this measure.</p> <p>Exception 1: Water heater blanket is not required on water heaters less than 20 gallons.</p> <p>Exception 2: Water heater blanket not required if application of a water heater blanket voids the warranty on the water heater.</p> <p>Exception 3: Upgraded fixtures are not required if existing fixtures have rated or measured flow rates of no more than ten percent greater than 2025 California Green Building Standards Code (Title 24, Part 11) Section 4.303 water efficiency requirements.</p> <p>Exception 4: Water heaters with factory installed insulation of R-24 or greater</p>
E2	<p>Induction Cooktop: Replace existing gas and electric resistance stove top with inductive stove top and cap the gas line</p>
E3	<p>Heat Pump Clothes Dryer: Replace existing electric resistance clothes dryer with heat pump dryer with no resistance element and cap gas line.</p>
E4	<p>Air Sealing: Seal all accessible cracks, holes, and gaps in the building envelope at walls, floors, and ceilings. Pay special attention to penetrations including plumbing, electrical, and mechanical vents, recessed can light luminaires, and windows. Weather-strip doors if not already present.</p> <p>Verification shall be conducted by a certified HERS Rater that either: a) shows at least a 30 percent reduction from pre-retrofit conditions; or b) shows that the number of air changes per hour at 50 Pascals pressure difference (ACH50) does not exceed ten for Pre-1978 vintage buildings, seven for 1978 to 1991 vintage buildings and five for 1992-2010 vintage buildings. Compliance can also be demonstrated with blower door testing conducted by a certified HERS Rater no more than three years prior to the permit application date showing compliance with condition (a) or (b).</p> <p>If combustion appliances are located within the pressure boundary of the building, conduct a combustion safety test by a professional certified by the Building Performance Institute in accordance with the ANSI/BPI-1200-S-2017 Standard Practice for Basic Analysis of Buildings, the Whole House Combustion Appliance Safety Test Procedure for the Comfortable Home Rebates Program 2020 or the California Community Services and Development Combustion Appliance Safety Testing Protocol.</p> <p>Reducing the air leakage of a building can reduce the building's drying potential. When improving the air sealing of a building, consider if there is a need to add continuous ventilation to the building (if not already present).</p>
E5	<p>Duct Sealing: Air seal all space conditioning ductwork to meet the requirements of the 2025 Title 24 Section 150.2(b)IE. The duct system must be tested by a HERS Rater no more than three years prior to the alteration or addition permit application date to verify the duct sealing and confirm that the requirements have been met. This measure may not be combined with the New Ducts and Duct Sealing measure</p>

	in this Table. Dwelling units without ductwork or where the ducts are in conditioned space may not take credit for this measure.
E6	<p>R-49 Attic Insulation: Attic insulation shall be installed to achieve a weighted assembly U- factor of 0.020 or insulation installed at the ceiling level shall have a thermal resistance of R-49 or greater for the insulation alone. Recessed downlight luminaires in the ceiling shall be covered with insulation to the same depth as the rest of the ceiling. Luminaires not rated for insulation contact must be replaced or fitted with a fire-proof cover that allows for insulation to be installed directly over the cover.</p> <p>Exception: In buildings where existing R-30 is present and existing recessed downlight luminaires are not rated for insulation contact, insulation is not required to be installed over the luminaires.</p>
E7	Windows: Replace at least 50% of existing windows with high performance windows with an area-weighted average U-factor no greater than 0.27.
E8	R-15 Wall Insulation: Install wall insulation in all exterior walls to achieve a weighted U-factor of 0.095 or install wall insulation in all exterior wall cavities that shall result in an installed thermal resistance of R-15 or greater for the insulation alone.
E9	New Ducts+ Duct Sealing: Replace existing space conditioning ductwork with new R-8 ducts that meet the requirements of 2025 Title 24 Section 150.0(m) 11. This measure may not be combined with the Duct Sealing measure in this Table. To qualify, a preexisting measure must have been installed no more than three years before the alteration or addition permit application date.
E10	R-19 Floor Insulation: Raised-floors shall be insulated such that the floor assembly has an assembly U-factor equal to or less than U-0.037, or shall be insulated between wood framing with insulation having an R-value equal to or greater than R-19. This measure cannot be combined with measure R-30 Floor insulation.
E11	R-30 Floor Insulation: Raised-floors shall be insulated such that the floor assembly has an assembly U-factor equal to or less than U-0.028, or shall be insulated between wood framing with insulation having an R-value equal to or greater than R-30. This measure cannot be combined with measure R-19 Floor insulation.
E12	Heat Pump Water Heater (HPWH): Replace existing electric resistance or natural gas storage water heater with a heat pump water heater that meets the requirements of Sections 110.3 and 150.2 (b) 1.H.iii.b or c.
E13	<p>PV and Electric Ready Pre-Wire: Install a solar PV system that meets the requirements of 2025 Title 24 Section 150.l(c)14.</p> <p>In addition to the solar PV system, comply with the water heating system electric readiness requirements per Section 150.0(w)4 and the heat pump space heaters requirements per Section 150.0(t) and one of the following:</p> <ul style="list-style-type: none"> A. Energy Storage Systems (ESS) Ready, as specified in Section 150.0(s), or B. EV Charger Ready as specified in the California Green Building Code, Title 24, Part 11, Section A4.106.8.1, which otherwise applies to new construction.

	Exception 1: In buildings where the designated space requirement specified in Section 150.0(n) 1 can be demonstrated to the building official as infeasible, the electric readiness components per Section 150.0(n)1 are not required.
E14	Heat Pump Space Heater: Replace all existing gas and electric resistance space heating systems with an electric-only heat pump system that meets the applicable requirements of Sections 150.2 (b) 1.C, 150.2 (b)1.E, 150.2(b)1.F, and 150.2(b)1.G.
Mandatory Measures	
M1	<p>Utility Room, Kitchen & Laundry-Related Electric Ready Pre-Wire: Where the project includes a kitchen remodel, comply with the electric cooktop ready requirement, as specified in Section 150.0(u). Where the project includes a laundry room remodel, comply with the electric clothes dryer ready requirement, as specified in Section 150.0(v). Where the project includes a utility room remodel, comply with the water heating system electric readiness requirements per Section 150.0(n)1 and the heat pump space heater electric readiness requirements per Section 150.0(t):</p> <p>Exception 1: If an electrical permit is not otherwise required for the project other than compliance with this measure.</p> <p>Exception 2: If a utility service upgrade is not otherwise required for the project other than compliance with this measure.</p> <p>Exception 3: In buildings where the designated space requirement specified in Section 150.0(n)1 can be demonstrated to the building official as infeasible, the electric readiness components per Section 150.0(n)1 are not required.</p>
M2	<p>Panel-Related Electric Ready Pre-Wire: Where the project includes a new electrical panel and electrical service upgrade to 200A or more, comply with the water heating systems electric readiness requirements per Section 150.0(n)1 and the heat pump space heater electric readiness requirements per Section 150.0(t).</p> <p>Exception 1: In buildings where the designated space requirement specified in Section (150.0(n)1 can be demonstrated to the building official as infeasible, the electric readiness components per Section 150.0(n)1 are not required.</p>
M3	<p>LED Lighting Upgrade: Replace all interior and exterior screw-in incandescent, halogen, and compact fluorescent lamps with LED lamps. Install photocontrol and either a motion sensor or an automatic time switch, or an astronomical time clock control on all exterior lighting luminaires consistent with current Title 24 requirements for new single-family residential buildings. Alternative means of exterior lighting timing controls, including smart home devices, may be approved.</p>

Section 150.2(a) [ENERGY EFFICIENCY STANDARDS FOR ADDITIONS AND ALTERATIONS TO EXISTING SINGLE FAMILY RESIDENTIAL BUILDINGS] is modified to read as follows:

Additions. Additions to existing single-family residential buildings shall meet the requirements of Sections 110.0 through 110.9, Sections 150.0(a) through (n), (p), (q), (w), and either Section 150.2(a)1 or 2.

Section 150.2(b) [ENERGY EFFICIENCY STANDARDS FOR ADDITIONS AND ALTERATIONS TO EXISTING SINGLE FAMILY RESIDENTIAL BUILDINGS] is modified to read as follows:

Alterations. Alterations to existing single-family residential buildings or alterations in conjunction with a change in building occupancy to a single-family residential occupancy shall meet either Item 1 or 2 below.

1. Prescriptive approach. The altered component and any newly installed equipment serving the alteration shall meet the applicable requirements of Sections 110.0 through 110.9 and all applicable requirements of Sections 150.0(a) through (1), 150.0(m)1 through 150.0(m)10, 150.0(p) through (q), and 150.0(w); and
2. Performance approach. The altered component(s) and any newly installed equipment serving the alteration shall meet the applicable requirements of Subsection A below.
 - A. The altered components shall meet the applicable requirements of Sections 110.0 through 110.9, Sections 150.0(a) through (1), Sections 150.0(m)1 through 150.0(m)10, Sections 150.0(p) through (q), and Section 150.0(w). Entirely new or complete replacement mechanical ventilation systems as these terms are used in Section 150.2(b)1L, shall comply with the requirements in Section 150.2(b)1L. Altered mechanical ventilation systems shall comply with the requirements of Section 150.2(b)1M. Entirely new or complete replacement space-conditioning systems, and entirely new or complete replacement duct systems, as these terms are used in Sections 150.2(b)1C and 150.2(b)1Diia, shall comply with the requirements of Sections 150.0(m)12 and 150.0(m)13.

Section 4. Severability. If any word, phrase, sentence part, section, subsection or other portion of this amendment or any application thereof to any person or circumstance is declared void, unconstitutional, or invalid for any reason, then such word, phrase, sentence, part, section, subsection, or other portion, or the prescribed application thereof, shall be severable, and the remaining provisions of this amendment, and all applications thereof, not having been declared void, unconstitutional or invalid, shall remain in full force and effect.

Section 5. CEQA. The municipal code amendments are consistent with the Negative Declaration approved for the City of Santa Cruz 2030 Climate Action Plan adopted by City Council on September 13, 2022, and therefore, no further environmental review under the California Environmental Quality Act (CEQA) is required. This ordinance is also categorically exempt from CEQA because it is an action taken by a regulatory agency for the purpose of protecting the environment (CEQA Guidelines Section 15308). In addition, this ordinance is 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 following findings are made in support of these determinations:

- a) The purpose of the implementation of a Reach Code is to reduce the amount of

greenhouse gas emissions in Santa Cruz that are produced from buildings.

- b) The Reach Code approval process requires that Santa Cruz determines that the local standards will require buildings to be designed to consume less energy than current statewide requirements. Furthermore, the California Energy Commission approval process requires that Santa Cruz make the findings as part of its approval process. Therefore, the Reach Code standards can only go into effect if they protect the environment by making buildings more efficient.

Section 6. Effective Date: This ordinance shall become effective as of January 1, 2026 upon approval of the California Energy Commission or upon the date the California Building Standards Commission accepts the ordinance for filing, whichever is later.

PASSED FOR PUBLICATION this 28th day of October, 2025, by the following vote:

AYES: Councilmembers Trigueiro, Brunner, Newsome, Golder, O'Hara; Vice Mayor Kalantari-Johnson; Mayor Keeley.

NOES: None.

ABSENT: None.

DISQUALIFIED: None.

APPROVED: _____
Fred Keeley, Mayor

ATTEST: _____
Bonnie Bush, City Clerk Administrator

ORDINANCE NO. 2025-22

PASSED FOR FINAL ADOPTION this 18th day of November, 2025, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Fred Keeley, Mayor

ATTEST: _____
Bonnie Bush, City Clerk Administrator

This is to certify that the above and foregoing document is the original of Ordinance No. 2025-22 and that it has been published or posted in accordance with the Charter of the City of Santa Cruz.

Bonnie Bush, City Clerk Administrator