

# Community and Stakeholder Engagement

Updated May 2021

## **2040 General Plan Update/Climate Action and Adaptation Plan:**

Staff have conducted an extensive community outreach program as part of the outreach for the 2040 General Plan and Climate Action and Adaptation Plan Update which included the concept of electrification. To date, outreach efforts have included:

- Three meetings with the General Plan Environmental Justice Working Group (EJWG) to review climate action key strategies and GHG reducing actions
- Four city-wide workshops (April/May of 2019)
- Ten community plan meetings (Summer of 2019)
- Three Environmental Justice listening sessions (2019)
- Interest Based Focus Group on climate change (February 2020)
- Virtual City-wide Workshops with 920 respondents to questionnaires (May-June 2020)
- A scientific survey with 504 respondents (August 2020)
- Virtual Self-Guided Community Plan Area Workshops (October 2020)
- Plus: Pop-up events, youth engagement at Luther Burbank High School, youth events at Dyer Kelly elementary school, youth engagement through Summer at City Hall, youth engagement with youth ambassadors from La Familia, Asian Resources, and Greentech, Lift every Voice event (2019 and 2020)

Feedback from public and virtual workshops showed that the community is generally supportive of efforts to reduce GHG emissions, so specific questions about building electrification were included in the citywide scientific survey for the 2040 General Plan Update.

Of the 504 respondents who participated in the scientific survey, 65% of respondents indicated support for electrification of new construction, with 37% of respondents indicating strong support. As a scientific survey with a rigorous methodology, these findings can be interpreted as representative for the entire community with a +/- 4.38% margin of error at a 95% confidence level.

In addition, the survey showed that 63% of the respondents supported phasing out natural gas-powered appliances in existing buildings over the next 20 years.

## **Mayors' Commission on Climate Change:**

The Mayors' Commission on Climate Change (MCCC) met first in November 2018 and held its ninth and final meeting on June 29, 2020 when the final MCCC recommendations were unanimously approved. Throughout the duration of the Commission's efforts, input was gathered from the public, key stakeholders, and Technical Advisory Committee members in person and via online public comment. The City of Sacramento Mayor's Office collaborated with Climate Commissioners Meg

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Arnold and the Sacramento Metro Chamber to host a series of business roundtables and conversations with small and businesses, individuals, large employers, supply chains and over 100 stakeholders tied to business. Industries and stakeholder groups involved included real estate and development, multi-family property owners and managers, building contractors, restaurants, manufacturing operators, major employers, green businesses, shared mobility service providers, labor unions, and workforce development organizations. The City of Sacramento Mayor's Office and Climate Commissioner and West Sacramento Councilman Chris Ledesma presented to and received feedback from the West Sacramento Chamber of Commerce as well.

The Built Environment Technical Advisory Committee solicited comments on the electrification strategies and tactics during each meeting as did the MCCC during its public meetings and online. The Mobility Technical Advisory Committee had further advised that the cities adopt CALGreen Tier 2 standards for EV capability. Although not included in the final report adopted by the MCC, the Electric Vehicle Charging Infrastructure Ordinance is consistent with this recommendation. The built environment recommendation reflects feedback from the development community on considerations for and potential projects in downtown Sacramento. This feedback resulted in the split timing strategy for electrification of new construction with low-rise by 2023 and the high-rise buildings by 2026.

Outreach also included feedback from the Equity Technical Advisory Committee and organizations that represent entities that will be affected by the retrofit of future buildings.

## **Sacramento Municipal Utility District:**

The Sacramento Municipal Utility District (SMUD) kicked off its building electrification programs in June of 2018 with incentive programs for space and water heating, induction cooking, and programs for single family and multifamily developers. To date over 3,000 customers have taken advantage of these programs. As part of these programs SMUD has performed various outreach including:

- Over a dozen training events focused on architects, engineers, contractor, and developers.
- Induction training events held in over 6 libraries in the Sacramento area.
- Maintained induction cooking unit in the library's' lending program.
- Held a heat pump water heater technology forum at SMUD with over 100 attendees.
- Handed out flyers and magnets at home shows.
- Building contractors who work in SMUD programs promote electrification and its benefits.

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- SMUD’s website includes information about the benefits of going electric, information about residential electric vehicles, all-electric smart homes, and SMUD programs (including educational videos explaining the technology and the environmental benefits of the technology).

## **EV Strategy/Blueprint:**

In December 2017, the City adopted its first EV Strategy following stakeholder and community engagement. The City conducted additional engagement in 2019 to solicit community feedback on EV adoption and development standards through the City’s EV Blueprint planning effort. Outreach included the following:

- Over 15 community events throughout Sacramento including pop-up events and workshops to stakeholder presentations,
- An online survey available on the City website and at events, with 307 responses.
- A presentation to the Planning and Design Commission, with support for Title 17 amendments and an initial proposal of requiring EV-ready installations with an installed outlet.
- Stakeholder meetings with business and development representatives, affordable housing providers, and EV mobility technology companies.

## **SPECIFIC OUTREACH CONDUCTED TO DATE FOR THE ORDINANCE:**

City staff have participated in a number of stakeholder meetings. Feedback and discussion from stakeholders engaged in the last five months follows. The ordinance reflects staff recommendations, accounting for the range of issues raised in the extensive engagement process. See Electrification Q&A for further information these issues.

### American Institute of Architects, Central Valley Chapter

- Discussion focused on SMUD incentives, electric equipment, and utility readiness. Both PG&E and SMUD indicated support and ready to handle electrification of new construction as of today.

### UA Local 447, Plumbers and Pipefitters

- UA Local 447 generally embraces climate actions with some caveats.
- Gas piping work averages about 22.5% of the UA Local 447 work. According to UA Local 447, this work would account for more than 300,000 person-hours per year. A concern is that this ordinance could potentially put 150 members (10%) out of work in a year, without a “just transition” to ensure members can shift workload into other types of carbon-free work while maintaining and increasing wages.

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- Suggestions to identify additional opportunities for greywater and rainwater catchment systems to provide work for plumbers and pipefitter to offset losses. These are ongoing items of discussion with the UA Local 447 for collaboration and partnership to operationalize a just transition with labor and workforce groups.

## Downtown Urban Infill/Business Coalition/Building Industry Association

- Issues noted are as follows:
  - Options and availability are sometimes limited for certain uses. As an example, tanks in breweries typically require gas.
  - Concerns about feasibility and costs for developers.
  - Availability of equipment may be limited for some applications such as industrial uses and larger facilities.
  - Chefs and the cooking industry prefer cooking over a flame as allowed by gas cooking appliances. Many chefs also like to cook with cast iron, which can damage induction cooktops.
- Concerns: Implications about potentially adopting earlier than 2023:
  - Post-COVID market recovery not expected until the end of 2022.
  - Lead time is needed for developers to plan their projects. Do not want to drive businesses outside of the City.
  - Sacramento has a skilled labor gap and shifting to all electric could exacerbate challenges.

## Pacific Gas & Electric

- PG&E conveyed support of the City's electrification efforts and has assisted by providing the support of PG&E on-call contractors to present and participate in City-led webinars.

## Sacramento Metropolitan Air Quality Management District

- SMAQMD supports the efforts due to significant air quality benefits.
- The New Building Electrification Ordinance aligns with the District's recently amended Greenhouse Gas Thresholds Best Management practices, which establish that new projects subject to the thresholds should not include gas or should mitigate emissions with prewiring for 100% electric.

## 350 Sacramento

- Key recommendations include:
  - An earlier effective date, similar to the recently enacted ordinances already in effect elsewhere in the state. If the effective dates remain unchanged, an electric-ready requirement should go into effect now. Electric-ready would reduce the costs for major retrofits.

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- Major retrofits should be addressed as the next strategy.

## City of Sacramento Housing Policy Working Group

- Housing Policy Working Group members noted the following:
  - Recommended meeting with affordable housing developers to understand their unique challenges.
  - Strong interest was expressed in working with SMUD to advance net energy metering and virtual net energy metering as a critical priority. *See Electrification Ordinance Q&A for more details about the role of Net Energy Metering and Virtual Net Energy Metering in electrifying multi-unit affordable housing.*
  - The challenge of electric central water heating for high-rise development was noted.
- In separate stakeholder meetings, affordable housing developers shared further information regarding electric hot water heaters, considerations for electric readiness, and cost considerations.
- In follow-up conversations, Working Group members also indicated:
  - A distinguishing feature of net energy metering is that affordable housing developers can use it as an upfront tool to make a project more competitive for financing. By contrast, SMUD rebates for all-electric housing are available after construction is complete.
  - Certain electric appliances, such as induction cooktops are more expensive than conventional gas appliances. Without the ability to take advantage of SMUD rebates, an upfront financing tool, or net energy metering, these costs cannot be easily accommodated by affordable housing projects while remaining competitive for available financing programs and tax credits.

## SacEV Association

- Participants emphasized the importance of standards to increase EV charging options in multi-family development, and recommendations to increase the requirement for EV capability and EV infrastructure to more ambitious levels.

## SacPEV Collaborative

- Feedback included the following:
  - Standards for new construction are critical to ensure the provision of EV charging in multi-family development and advance equitable access to zero-emission vehicle technologies.
  - The next state building code is anticipated to increase EV capability requirements for voluntary CALGreen tiers, consistent with the City's

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proposal and aligns with anticipated future voluntary EV charging tiers in CALGreen.

## Restaurant Stakeholders

- City staff convened and participated in multiple meetings to discuss restaurant perspectives with local restaurateurs, the California Restaurant Association, PBIDs, and ethnic and business chambers.
- Several stakeholders emphasized their desire for a permanent restaurant exemption in the ordinance, and further delay in ordinance implementation. Many restaurant stakeholders indicated concern with shifting cooking methods to electric technologies, while others indicated a desire for partnership and collaboration to demonstrate electric cooking technologies.
- Local Asian restaurateurs shared information on challenges for electrifying traditional Asian cooking methods, and feedback on the absence of market readiness for some high-intensity cooking applications.

## Manufacturing Stakeholders

- In several discussions with local manufacturing representatives, the Sacramento Valley Manufacturing Initiative, the Power Inn Alliance, and chambers of commerce, stakeholders shared information regarding manufacturing processes, challenges, and concerns with electrification and ordinance timelines. Issues raised included evaluating necessary electrical service sizes, grid reliability, impact on restaurants, relative cost of gas vs. electricity, technical feasibility, the infeasibility waiver process, and SMUD incentives.
- Staff also received feedback on timelines for the phased infrastructure investment and build-out of manufacturing parcels. Stakeholders also provided examples of local manufacturing process loads.

## Sacramento Association of Realtors, Government Relations Committee

- Stakeholders discussed the ordinance and considerations for next steps to plan for the electrification of existing buildings.

## Environmental Justice Collaborative Governance Committee

- Staff met with the EJCGC to listen to questions and feedback, and confirmed a schedule for ongoing engagement on existing building electrification efforts.

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## Topic-Focused Webinar/Outreach Event Series

City staff hosted eight topical webinars on electrification topics. These webinars were broadly promoted through the electrification ordinance email distribution lists, stakeholder outreach, and the City website at [Cityofsacramento.org/SacElectrificationOrdinance](http://Cityofsacramento.org/SacElectrificationOrdinance).

### Electrification 101:

- Pre-recorded webinar providing essential background information about what the City is proposing, and the rationale and context for building electrification. Speakers included City staff, SMUD staff, and staff from the Building Decarbonization Coalition.

### Green Businesses: CleanStart Perspectives November 12, 2020 (Hosted by CleanStart)

~10 participants

- Presentation: "Sacramento Electrification Update" an event hosted by CleanStart, with interest and clarifying questions from participants.

### Electrifying Commercial Development – December 10, 2020

~50 participants

*Presentations by Scott Shell, EHDD; Ted Tiffany, Guttman & Blaevoet; and Steve Oliver, SMUD*

- Guest speakers provided case studies of the electrification of commercial buildings. They asserted that electrification of commercial projects is generally feasible at all scales, and equipment is available. Examples included case studies of mid- and high-rise all-electric projects (e.g., the new 21-story headquarters for the California Natural Resources Agency in Downtown Sacramento, currently under construction).
- Regarding transformer and infrastructure issues: equipment technology is still evolving that will impact power load, but it is incumbent on designers and engineers to plan ahead, and ask lots of questions on design assumptions, which can solve many of the challenges.
- Some special uses may not be able to fully forego gas infrastructure with current technologies, such as research labs that require lots of emergency power, and breweries, which may still require alternatives like biogas.

### All-Electric Residential Appliances – December 14, 2020

~40 participants

*Presentations by Nicholas Dunfee, TRC Companies; and Steve Oliver, SMUD*

- Presentations about the recommended all-electric technologies for residential development, and SMUD incentives.

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## Electrification of Special Uses: Labs & Manufacturing – December 17, 2020

*Presentation by Stet Sanborn, Smith Group; and Steve Oliver, SMUD*

- Presenters provided numerous examples of all-electric labs, healthcare centers, and manufacturing uses. The discussion acknowledged that some uses can be more challenging to fully electrify due to high load, the need for power backup options, and intensive energy demands in 24-7 operations.

## Electrifying Multi-unit and Affordable Housing – January 7, 2021

(~130 participants)

*Presentations by Sean Armstrong, Redwood Energy; and Vanessa Guerra Martinez, Mutual Housing*

- Presenters provided numerous examples of all-electric and zero-net energy affordable housing. However, all examples are outside of the SMUD territory and use net energy metering to incorporate solar photovoltaics and thereby enjoy increased competitiveness for financing and tax credits.
- The absence of a virtual net energy metering program with SMUD poses a challenge to the standard ways that housing developers package competitive affordable housing projects for funding. Local developers anticipate that this barrier will be exacerbated as new affordable housing projects electrify and need additional methods or support in lieu of virtual net energy metering.
- *See Attachment 3-Frequently Asked Questions for more details about the role of Net Energy Metering and Virtual Net Energy Metering in electrifying multi-unit affordable housing.*

## Electrification & Workforce – January 15, 2021

(~24 participants)

*Presentations by Larry Rillera, California Energy Commission; and Luis Sanchez, Community Resource Project Inc.*

- Presentations highlighted programs, initiatives, and opportunities related to electrification, EV charger installations, retrofits, and workforce. A number of partnerships and pathways exist, yet panelists acknowledged the need for partnership to facilitate the transition of low-income communities and trades into clean-energy workforce opportunities.

## Electrification of Commercial Kitchens – January 25, 2021

(~39 participants)

*Presentations by Richard Young, Food Service Technology Center; and Courtney Payne, SMUD*

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- Presenters highlighted examples of commercial electric cooking equipment and SMUD rebates. Participant feedback on the webinar highlighted the concerns across the restaurant industry with going all electric on thin profit margins, especially in times of economic recession. Gas appliances are low-tech across the industry. Although electric kitchens may provide ongoing cost savings, they require upfront investment.