

PLANNING AND DEVELOPMENT SERVICES STAFF REPORT

For Ann Arbor Planning Commission Meeting of December 6, 2022

SUBJECT: Amendments to Chapter 55 (Unified Development Code) to add Electrification Requirements

PROPOSED CITY PLANNING COMMISSION MOTIONS

An Ordinance to Add Sections 5.27-5.29 to Chapter 55 (Unified Development Code) of Title V of Code of the City of Ann Arbor – (Electrification)

RECOMMENDATION:

Planning staff recommends postponement of the proposed ordinance. Two ordinance approaches are attached for consideration. Prior to adoption, a single version shall be provided prior to final adoption.

SUMMARY/BACKGROUND:

The 2022/2023 Planning Commission Work Program includes Electrification/Net Zero Buildings as a proposed Unified Development Code (UDC) amendment. This proposed amendment is supported by the City's Comprehensive Plan:

From the [2013 Sustainability Framework](#) (Climate and Energy Goals p. 6):

- Improve access to and increase use of renewable energy by all members of our community
- Reduce energy consumption and eliminate net greenhouse gas emissions in our community
- Reduce new and existing buildings' energy use, carbon impact, and construction waste, while respecting community context

The City has additionally adopted other policies and goals outside of the comprehensive planning process, which provides ideas, concepts, and prioritization of reaching the goals identified in the Comprehensive Plan, such as:

- On [November 4, 2019](#), the City Council declared a climate emergency and commits to action as a result of the declaration.
- City Council Adopted (and amended) the [2020 Living Carbon Neutrality Plan](#), including:
 - Power our Electrical Grid with 100% Renewable Energy

- Goal – 78MW of new, local, onsite renewable energy generation is installed in Ann Arbor by the year 2030. (p 21)
- Switch our Appliances and Vehicles from Gasoline, Diesel, Propane, Coal, and Natural Gas to Electric.
 - To support the electrification of appliances, the City will work to establish policies that promote electrification of heating and cooking systems by evaluating options in codes, incentive programs, and through other avenues.
 - Goal – By 2030 . . . 30% of owner-occupied homes, and 25% of rental properties have fully electrified. . . (p 32)
- Significantly Improve the Energy Efficiency in our Homes, Businesses, Schools, Places of Worship, Recreational Sites, and Governmental Facilities
 - This action focused on working with the state to pass the 2021 building code and zero code appendix so that all new developments and major renovations can be net zero energy.
 - Goal – By the end of 2030, 2,120 residential units and 160 commercial units are net zero energy buildings. (p 48)

Two proposed ordinance approaches are included with this report. A proposed ordinance and alternative ordinance, that provide a more inclusive/restrictive model, and a version that provides a greater flexibility for timeframe and exceptions. Note that the proposed January 1, 2023 deadline would be amended, but remains as an indication of a more abrupt, inclusive transition point.

Electrification vs. Net Zero Buildings

While not unrelated, the proposed ordinance does not include Net Zero Building requirements, on the following basis:

- The City’s goal statements for this work are explicit in the advocacy around construction codes to implement this goal.
- The Stille-Derossett-Hale Single State Construction Code Act explicitly describes its intention to “. . . promulgate rules with recommendations from each affected board relating to the construction, alteration, demolition, occupancy, and use of buildings and structures; to prescribe energy conservation standards for the construction of certain buildings; to provide for statewide approval of premanufactured units; to provide for the testing of new devices, materials, and techniques for the construction of buildings and structures. . .” In my opinion, this means that regulating and/or requiring energy efficiency standards through the Unified Development Code is more challenging to construct or realize.
- The standards which are considered appropriate/satisfactory to attain a high energy efficiency outcome have evolved, and continue to evolve somewhat rapidly.

The Planning Commission could consider incentives or other mechanisms to approach energy efficiency, in the future, but for now, this effort will focus upon electrification. Questions regarding the legislative framework for considering the requirement will be considered and answered through the legislative process, fully with the City Council.

The UDC is largely based in the State Zoning Enabling Act, which in part prescribes that zoning is for “. . .the regulation of land development . . .designating or limiting the location, height, bulk, number of stories, uses and size of dwellings, buildings, and structures. . .” The City, as prescribed by state law, sets policy and goals, and utilizes zoning, in addition to other codes, to promote the public health, safety, and welfare.

This ordinance could have the following impacts:

- A different regulatory framework for land development than surrounding communities.
- A potential increase in cost for operation, depending on building efficiency, system selections, and other factors.
- Potential changes in the cost of infrastructure to proposed and existing buildings, such as reduced natural gas infrastructure, increased electricity infrastructure and/or capacity, conversion of some existing buildings.

c: City Attorney’s Office