

REVISED LEGISLATIVE DIGEST

(Amended in Board, 7/20/2021)

[Environment Code - Climate Action Plan]

Ordinance amending the Environment Code to update the City's climate action goals and planning process, and establish departmental roles and responsibilities; and affirming the Planning Department's determination under the California Environmental Quality Act.

Existing Law

Chapter 9 of the Environment Code, adopted in 2008, addresses the City's targets for reducing greenhouse gas emissions and departmental action plans for achieving those reductions. The Chapter sets the following specific targets:

- By 2017, reduce greenhouse gas emissions by 25% below 1990 levels;
- By 2025, reduce greenhouse gas emissions by 40% below 1990 levels; and
- By 2050, reduce greenhouse gas emissions to 80% below 1990 levels.

All City departments, with the assistance of the Department of the Environment, must assess their greenhouse gas emissions and prepare written action plans to reduce those emissions, and update those assessments and plans annually. The Chapter also imposes department-specific duties on the Planning Department, the Department of Building Inspection, the Department of Public Works, the Department of Public Works, and the City Administrator. The Department of the Environment must prepare an annual report to the Board of Supervisors on the City's progress towards achieving the targeted reductions in greenhouse gas emissions.

And the Chapter urges the San Francisco PUC to develop and to implement an energy action plan that includes: becoming fossil fuel free by 2030; generating electricity locally through renewable generation; and integrating the greenhouse gas emissions targets into the Sewer Master Plan.

Amendments to Current Law

The proposed legislation is an ordinance that would amend the Environment Code to update and revise Chapter 9. The ordinance would adopt new targets for reducing San Francisco greenhouse gas emissions:

- By 2030, reduce Sector-Based Greenhouse Gas Emissions by 61% below 1990 levels;

- By 2030, reduce Consumption-Based Greenhouse Gas Emissions by 40% below 1990 levels;
- By 2040, reach Net Zero Sector-Based Greenhouse Gas Emissions by reducing such emissions by 90% below 1990 levels and sequestering any residual emissions; and
- By 2050, reduce Consumption-Based Greenhouse Gas Emissions by 80% below 1990 levels.

Under the ordinance, “Sector-Based Greenhouse Gas Emissions” are all of the Greenhouse Gas emissions generated within the City in a given time period. “Consumption-Based Greenhouse Gas Emissions” are all the Greenhouse Gas emissions associated with producing, transporting, using, and disposing of products and services consumed by the City in a given time period, including emissions generated outside the City. “Net Zero Sector-Based Greenhouse Gas Emissions” means Sector-Based Greenhouse Gas Emissions after first eliminating emissions from fossil fuels and other sources, and then, for each ton of emissions that cannot be eliminated, removing a ton of carbon dioxide equivalent from the atmosphere.

The ordinance also would incorporate a “0-80-100-Roots” climate action framework, where “0” refers to a goal of zero waste, “80” refers to a goal of 80% low-carbon trips, “100” refers to a goal of 100% renewable energy, and “Roots” refers to sequestering carbon through natural systems. To reach the emissions reduction targets of Chapter 9 and the sustainability goals of the 0-80-100-Roots framework, the City would adopt the following climate action goals:

- **Zero Waste.** By 2030, a reduction in the generation of solid waste of at least 15% below 2015 levels and a reduction in the amount of solid waste disposed of by incineration or deposit in landfill of at least 50% below 2015 levels;
- **Transportation.** By 2030, an increase in low-carbon trips to at least 80% of all trips measured and an increase in the level of electrification of vehicles to at least 25% of all private vehicles registered, and by 2040, an increase in the level of electrification of vehicles to 100% of all private vehicles registered;
- **Energy.** By 2025, supplying 100% renewable electricity, and by 2040, supplying 100% renewable energy;
- **Housing.** Building at least 5,000 new housing units per year with maximum affordability, including not less than 30% affordable units, and with an emphasis on retaining and rehabilitating existing housing;
- **Buildings.** By 2021, requiring zero onsite fossil fuel emissions from all new buildings, and by 2035, requiring zero onsite fossil fuel emissions from all large existing commercial buildings; and
- **Roots.** Sequestering carbon through ecosystem restoration, including increased urban tree canopy, green infrastructure, and compost application.

All of these climate action goals would also include complementary goals of advancing racial and social equity, protecting public health (including the health needs of vulnerable populations), increasing community resilience, and fostering a more just economy.

The ordinance would require the City to prepare a Climate Action Plan by the end of 2021 and submit the Plan to the Mayor for the Mayor’s approval. The ordinance would set out the required elements of the Plan, including an equity framework that would address historic racial and social inequities; prioritize social, economic, and environmental benefits derived from implementing the Plan; and ensure an equitable distribution of those benefits.

Elements of the Plan would include: energy supply; transportation and land use; building operations; housing; responsible production and consumption; and carbon sequestration. (The Department of the Environment would add a water element within one year.) The Plan would identify strategies and make recommendations to meet emissions reduction targets for all elements. Each strategy or recommendation would identify parties responsible for implementation, incorporate an estimated cost; and list key performance indicators and explicit equity metrics to measure progress. The Department of the Environment would be required to update the Climate Action Plan every five years.

The ordinance would establish roles and responsibilities related to climate action planning and implementation for individual City departments, including Planning, Public Health, Building Inspection, Public Works, the San Francisco Municipal Transportation Agency, the San Francisco Public Utilities Commission, the Office of Resilience and Capital Planning, and Purchasing. The Department of the Environment, with assistance from relevant City agencies, would be responsible for measuring and reporting emissions, tracking key performance indicators and equity metrics, and monitoring the City’s progress on meeting its climate action goals and commitments.

Background Information

Existing Section 906 (“Market-Based Compliance Mechanisms”), Section 908 (“Miscellaneous”), and Section 909 (“Implementation of All-Electric Building Standard”) of Chapter 9 would not be affected by this legislation.

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Amendments in Committee

Added a new Section 1 confirming the Planning Department’s determination of CEQA compliance.

Increased the target for reduction of Sector-Based Greenhouse Gas Emissions from 61% to 70% of 1990 levels.

Increased the target for reduction of Consumption-Based Greenhouse Gas Emissions from 40% to 50% of 1990 levels.

Moved up the target date for achieving Net Zero Sector-Based Greenhouse Gas Emissions from 2045 to 2040.

Modified the housing goal for the 0-80-100-Roots framework by calling for the production of “at least” 5,000 new housing units per year (rather than just 5,000), adding “with maximum affordability”, and an emphasis on retaining and rehabilitating existing housing.

Modified the Planning Department’s responsibility to support increased housing to focus on affordable housing.

Eliminated the direction to City agencies to streamline the review and approval processes for housing projects.

Amendments at Board

The committee amendments would have increased the target for reduction of Sector-Based Greenhouse Gas Emissions from 61% to 70% of 1990 levels. The Board restored the 61% target.

The committee amendments would have increased the target for reduction of Consumption-Based Greenhouse Gas Emissions from 40% to 50% of 1990 levels. The Board restored the 40% target.

The Board moved up the target date for achieving the sustainability goal of supplying 100% renewable energy from 2045 to 2040.

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