

REVISED LEGISLATIVE DIGEST
(Substituted, July 8, 2025)

[Building Code - All-Electric Major Renovations]

Ordinance amending the Building Code to require buildings undergoing major renovations to remain or convert to All-Electric Buildings with exceptions for physical and technical infeasibility, commercial food establishments, non-residential-to-residential conversions, buildings with recent major system replacements, and 100% Affordable Housing; affirming the Planning Department's determination under the California Environmental Quality Act; and directing the Clerk of the Board of Supervisors to forward this Ordinance to the California Building Standards Commission upon final passage.

Existing Law

The Building Code prohibits the Department of Building Inspection (DBI) from issuing building permits for construction of new mixed-fuel buildings, with certain exceptions for installation of cooking equipment in restaurants, or where all-electric design is physically or technically infeasible. The Building Code allows DBI to issue building permits for renovations of existing mixed-fuel buildings, but does not allow existing all-electric buildings to be converted to mixed-fuel buildings. The Building Code does not include a definition of major renovations.

Amendments to Current Law

The Proposed Legislation would define major renovations as substantial upgrades to a building's mechanical systems along with one or more "substantial improvements or upgrades" to the building as defined in the Existing Building Code. The Proposed Legislation would prohibit DBI from accepting or processing permits for major renovations of mixed-fuel buildings that are submitted after January 1, 2026. Applications submitted after that date for major renovations must result in (or retain) all-electric buildings. The Proposed Legislation amends the definition of all-electric buildings to include buildings that contain natural gas infrastructure solely dedicated to serve appliances covered by the Federal Energy Policy and Conservation Act (42 U.S.C. §§ 6201 et seq., "EPCA") and that comply with DBI's Design Guidelines for Electric-Ready Buildings. Those buildings would be considered all-electric and able to proceed with major renovations after enactment of the legislation.

The ordinance includes five exceptions that allow processing and issuing of permits for major renovations of mixed-fuel buildings: (1) where all-electric design is technically or physically infeasible; (2) to serve a restaurant; (3) conversion of non-residential use to new residential dwelling units until the year 2031; (4) the building replaced or upgraded a major system fueled

by natural gas within the last five years; and (5) buildings that provide 100% affordable housing shall not be subject to the full provisions of the legislation until 2031.

Background Information

Natural gas combustion, infrastructure, and transport create significant health, safety, and environmental risks for San Francisco. The City's unique topography, high population density, stock of older wooden structures, seismic activity, and wind patterns make the City vulnerable to fast spreading fires triggered or strengthened by gas leaks and explosions. Further, natural gas service takes significantly longer to resume after major disruptions than electrical service. Indoor use of natural gas is also a significant contributor to indoor air pollution, the health impacts of which are exacerbated in denser developments with smaller dwelling units that make up a significant portion of the City's housing stock. For these reasons, the City prohibited construction of new mixed-fuel buildings in 2021.

Major renovations, as defined in the proposed legislation, are tantamount to new construction. When conducting major renovations, it is more cost-effective and safer to utilize all-electric design to meet the building's energy needs than installing both gas and electrical infrastructure.

n:\leganalas2024\2400453\01850417.docx