

September 13, 2019

Re: Item 7.2 on September 17, 2019 Council Agenda

Honorable Mayor, Vice Mayor and City Council:

On behalf of SPUR, I am writing in **full support of the Staff's recommendation to adopt a San Jose Reach Code Ordinance for new construction as a way to further realize the strategies put forth in the Climate Smart San Jose plan.**

This ordinance upholds many of the principles laid out in our 2016 report, Fossil-Free Bay Area, in which we argue that increasing the energy performance of new buildings and establishing high-efficiency standards is a key strategy to reducing our carbon footprint and fossil fuel use.

The proposed reach code has been developed through thoughtful collaboration and partnership with the community. We are pleased to see that this ordinance has been developed in a manner to incentivize all-electric construction, a cost-effective option for all building types, while also understanding that some construction may not be ready to fully build out electric vehicle service equipment. The ordinance maintains flexibility that for some buildings, EV-ready construction may be a more cost-effective option.

Cities play a crucial role in our nation's economic development and in leading the fight against climate change. As the tenth largest city in the United States, San Jose has an important role to play. Through the Climate Smart plan, the city set forth aggressive goals to mitigate the impacts of climate change and reduce greenhouse gas emissions. The proposed Reach Code ordinance allows for this goal to be further realized as it is designed specifically to lower and eventually eliminate GHG emissions from new construction.

For decades, the City of San José has been a sustainability leader, recognized nationally for waste management & recycling, wastewater management, natural resources conservation, groundwater protection and much more. The city ranks third among U.S. cities for solar panels installed per capita and among the top 10 for EV ownership, number of EV charging stations, LEED-certified buildings per capita and clean tech capital investment.

San Jose has seen a significant upturn in development and property acquisition over the last several years. The planned transformation of the downtown, densification of North San Jose and development of urban villages provide an opportunity to significantly advance our sustainability goals with the design and installation of state-of-the-art blue and green infrastructure.

We understand that current market conditions have made it difficult for some developers to finance their projects in San Jose. **However, we have found that building and operating all-electric buildings can provide upfront and on-going cost savings over the future life cycle of the building, which we hope will help ease the burden of construction costs.**

The push to adopt reach codes and fully-electrified buildings has become a regional trend. Eight other municipalities within the Bay Area have adopted similar ordinances and this ordinance falls closely in line with those recently passed in San Francisco, San Mateo, Berkeley, and Santa Clara.

While it is clear that a large-scale regional approach is needed to solve our most pressing climate challenges, cities can have a tremendous impact. The City of San José continues to demonstrate leadership in addressing climate change, reducing its carbon footprint and becoming a more resilient city.

Thank you,

Michelle Huttenhoff