

Modification to Water Neutrality Ordinance

Presented by
Office of Sustainability and the Environment



Water Self-Sufficiency

The City has a goal to stop importing water and be water self-sufficient through water conservation and diversified water supplies.

The Water Neutrality Ordinance is one strategy to help achieve water self-sufficiency.



Council Direction



Water Neutrality

Current Ordinance



The Water Neutrality Ordinance limits all new development, as defined by this ordinance, by limiting a project to the historical water use for that individual parcel.



Applicability

Current Ordinance



New developments (new buildings and demolition of existing buildings with plumbing fixtures where 50% or more the exterior wall or principal structural supports are demolished) **and new or enlarged pools, spas, water features, ponds**



Compliance

Current Ordinance



1
Design
for maximum
water-
efficiency



2
Calculate
water use



3
Offsets
Are 100% or
50% for 100%
affordable
housing



4
**Retrofit or Pay In-Lieu
Fees**
Applicant can retrofit
water saving devices in
existing properties or pay
an admin fee and in-lieu



5
Approve
Applicant
accepted an
offset option



Compliance

Current Ordinance

EXAMPLE: 123 Santa Monica Ave.

CURRENT USAGE AT SITE	0 GAL/YEAR
BASELINE WATER USAGE	500,000 GAL/YEAR
PROJECTED WATER DEMAND	600,000 GAL/YEAR
REQUIRED OFFSET	100,000 GAL/YEAR
NEW WATER DEMAND NOT OFFSET	500,000 GAL/YEAR

To comply with water neutrality, 123 Santa Monica Ave. must offset 100,000 gal/year.

New development applicant can offset new water demand through performing on-site or offsite plumbing fixture retrofits or choosing to pay an in-lieu fee which 100% funds the City's Water Neutrality Direct Install Program.



Water Savings Analysis

Within 1 year of the ordinance's adoption, staff reviewed a total of 220 permit applications. Of these, 183* were new development and pool projects that were required to comply with Water Neutrality

Total new water demand created by projects: 1,838,159 gal/year

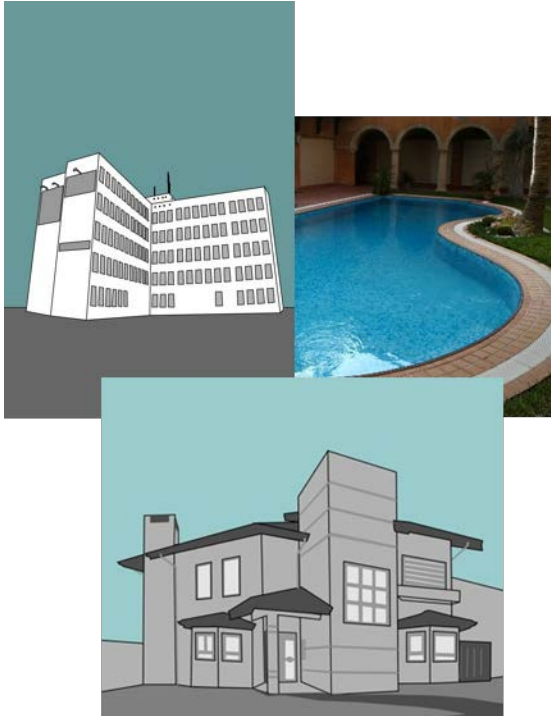
- 60 pool and spa permits: 1,214,634 gal/year
- 123 new development projects: 623,525 gal/year

Of the 183 projects, 90 had a new water demand

- 11 projects chose to comply through performing on-site retrofits
- 60 projects chose to comply through paying Water Neutrality Fees to support the City's Water Neutrality Direct Install Program
- 19 projects have yet to be approved



Why modify the ordinance?



Of the 220 total plan check applications, 37 were not required to comply. When analyzing 4 large commercial projects that were not required to comply, staff calculated at least **2,001,454 gal/year** is not required to be offset.

The City's Building and Safety Division receives on average **1,434 tenant improvement and residential remodel projects a year**. Currently, none of these projects are subject to comply with Water Neutrality.



Reoccurring Behaviors

- New development applicants were demolishing up to 49% of the exterior structures
- Projects that involved the removal of the roof to add additional stories
- New development applicants were indicating on plan sets the intention to install no irrigation systems
- Properties with no historical water usage (i.e. vacant lots) only had to offset above the default baseline water demand not all new water demand



Proposed Modifications

To better meet the intent of the ordinance:

- **Modify the protocol for calculating baseline water demand**
- **Revise the definition of new development under the ordinance**
- **Modify ADU offset to 50% (the current ratio for 100% affordable housing)**
- **Update terminology to ensure all projects are not given final approval until Water Neutrality is met**
- **Add notation on parcel building record of Water Neutrality compliance**
- **Require all new development seeking approval of a building permit on or after November 27, 2018 shall be subject to compliance with the revised ordinance**



Definition of Baseline Water Demand

Current ordinance:

- Sites with no historical water usage must only offset new water demand above the baseline
- Baseline is based on average annual water usage for customers in the same class with the same size meter

Recommended revisions:

- Require non 100% affordable housing projects to offset 100% of all water usage
- 100% affordable housing projects will continue to only offset 50% of the calculated baseline of the same customer class and meter size



Definition of “New Development”

Currently stated in the ordinance as:

- A new structure with any plumbing fixtures
- A new and enlarged pools, spas, ponds, and water features
- Repair, alteration, modification, addition to, or rehabilitation of an existing structure with any plumbing fixture(s), where a demolition of 50% or more will occur

Staff recommends the following additions:

- A new, enlarged, or relocated irrigation system
- A change in use which that results in the addition of any plumbing fixture(s)
- Repair, alteration, modification, addition to, or rehabilitation of an existing structure that results in the net increase of any plumbing fixture(s)



Addressing Accessory Dwelling Units

Currently stated in the ordinance as:

- New water demand for new development that constitutes a 100% Affordable Housing Project, including individual units and common spaces that support those units, shall be offset at 50%

Staff recommends the following updates:

- New water demand for new development that constitutes a 100% Affordable Housing Project, including individual units and common spaces that support those units, **and ADUs**, shall be offset at 50%



Updating Terminology and Applicability

Staff recommends the following updates:

- Update terminology to ensure Water Neutrality compliance is consistent with Building and Safety standards
- Add a notation in the building record so potential tenants and buyers are aware of Water Neutrality compliance for the property
- Require all projects seeking a building permit occurring on or after November 27, 2018 to comply with the updated ordinance





Outreach and Education

- **Public Meeting/Training for SM residents and regional building professionals**
 - December 18, 2018 from 2:30 – 3:30 PM
 - December 19, 2018 from 9:30 – 10:30 AM
 - December 19, 2018 from 2:30 – 3:30 PM
- **Staff will offer informational presentations to local neighborhood associations, the Chamber of Commerce, and the Business Improvement Districts**
- **Launching customer service website to streamline communication and processing in January 2019**
- **Technical assistance will be provided for major development projects**



Recommended Action

Staff recommends that the City Council introduce for first reading the attached ordinance updating Santa Monica Municipal Code section 7.16.050 to expand the definition of new development, to modify the definition of the baseline water demand, and to align terminology with the Planning and Community Development Department's operational terminology.



An aerial photograph of a city street. The street is paved and has several cars driving. On either side of the street are landscaped areas with palm trees and other greenery. In the background, there are modern buildings with large windows and architectural details. The overall scene is bright and sunny, with long shadows cast across the street.

**THANK YOU
QUESTIONS?**

