

ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to the workers affected by the Phillips 66 refinery closure in Los Angeles, next steps for remediation and reuse of the site with a timeline and cost estimates and personnel needs to assess, clean up, and revitalize potential impacts onsite, and related matters.

Recommendations for Council action:

1. INSTRUCT the Los Angeles Department of Building and Safety (LADBS) with support from the Los Angeles Housing Department and City Attorney to:
  - a. Assess and report back on the potential impacts to residential and commercial property owners, and the potential negative impacts to small business owners, tenants, and renters, potentially including a phased implementation schedule that starts with the largest buildings first and gradually includes smaller buildings.
  - b. Conduct stakeholder engagement that provides recommendations to improve equity and environmental justice outcomes.
  - c. Maintain the threshold for compliance at buildings larger than 20,000 sq ft as this aligns with the existing Existing Buildings Energy and Water Efficiency Program (EBEWE) requirements, and targeting larger buildings, provides the most cost-effective impact.
  - d. Provide time extensions and exemptions for compliance with the BPS for multi-family dwellings with affordable housing, rent stabilized buildings, buildings under financial distress (to be defined), small businesses, and other building types to be identified during stakeholder outreach.
  - e. Identify existing incentives and proposed new incentives from the Los Angeles Department of Water and Power that align with the goals of the Green New Deal.
  - f. Amend the existing EBEWE program to implement the agreed upon Building Performance Standards, reduction targets, and compliance pathways necessary to equitably achieve the City's Green New Deal goals for energy and carbon reductions. Amendments will also include extensions of time, exemptions, and a compliance schedule.
  - g. Coordinate with the appropriate County and State entities, and Phillips 66, with the transition plan to assist the workers impacted by the closure as well as for the future use(s) of the site.
  - h. Identify the number of affordable units that might be affected.
  - i. Report on the number/cost of penalties and any necessary fee studies to ensure cost recovery to implement this program.

- j. Compare actions from the cities existing-building decarbonization strategy i.e. San Francisco (given the same California state laws) and New York give the changed legal landscape.
  - k. Revise and update the EBEWE ordinance in order to align with a new existing-building decarbonization policy, reduce the need for LADBS staffing related to EBEWE, and minimize compliance burden for building owners addressed by any new building decarbonization ordinance.
2. NOTE and File the October 12, 2024 Climate Emergency Mobilization Commission report, attached to the Council file.
  3. NOTE and File the October 3, 2024 Los Angeles Housing Department report, attached to the Council file.

Fiscal Impact Statement: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: Yes

For:

Palms Neighborhood Council

Del Rey Neighborhood Council

Downtown Los Angeles Neighborhood Council

Summary:

On November 12, 2024, your Committee considered the Department of Building and Safety, Climate Emergency Mobilization Commission, and Los Angeles Housing Department reports relative to the recommendations and best practices for revisions to the City's existing Buildings Energy and Water Efficiency Ordinance, and related matters. The reports attached to the Council file include some background on the matter. After providing an opportunity for public comment, the Committee moved to approve the recommendations reflected above as amended. This matter is now forwarded to Council for its consideration.

Respectfully Submitted,

ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
YAROSLAVSKY:	YES
MCOSKER:	ABSENT
BLUMENFIELD:	YES
DE LEON:	ABSENT
RAMAN:	YES

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**-NOT OFFICIAL UNTIL COUNCIL ACTS-**