

CITY OF CHICO ENERGY CONSERVATION RETROFIT REQUIREMENTS

Chico Municipal Code Chapter 16.60

In 1991 and then amended in 2010, the City of Chico enacted a Residential Energy Conservation Ordinance (RECO) requiring property owners to provide certain energy and water conservation measures upon the resale of residential properties. The intent is to lessen the impacts of rising energy and water costs on renters and homeowners. The specifics of the ordinance can be found in Chapter 16.60 of the Chico Municipal Code (CMC).

The CMC indicates that every home, condominium, or apartment building built prior to July 1991 must have the following energy/water efficiency measures, listed in order of priority, before being sold or transferred:

1. All accessible attic space with 30" or greater headroom must be insulated to a minimum thermal resistance rating of R-30.
2. All major cracks, joints, and other openings in building exteriors must be caulked, weather stripped, or otherwise sealed to limit air infiltration.
3. All sink and lavatory faucets must be fitted with low-flow faucets with a maximum flow rate of 2.75 gallons per minute or an aerator.
4. All shower fixtures must be fitted with in-line shower restrictors or low flow shower heads which a maximum water flow rate of 3-gallons per minute, except where:
 - a. The shower head has an existing flow rate of less than three gallons per minute as a result of reduced water pressure;
 - b. The shower head and shower arm are of a ball joint type which is connected within a wall.
5. Unless determined unfeasible, all toilets must be low-flow toilets rated at 1.6 gallons per flush or less.
6. Thermostats must be programmable, where feasible.
7. All exposed cold water lines connected to and within five-feet of existing water heaters, and all hot water lines from water heaters in unconditioned spaces are to be insulated at a minimum thermal resistance rating of R-3.
8. All domestic water heaters must be fitted with external insulation blankets with a minimum rating of R-6, except where:
 - a. The interior thermal resistance rating of the water heater is at least R-12; or
 - b. It is impractical to wrap the water heater with an external blanket.
 - c. The manufacturer's instructions for the water heater preclude the water heater from being fitted with an external blanket.
9. All ducts in accessible areas shall be visually inspected to determine if they are intact and functioning properly.

EXEMPTIONS:

1. The sale, exchange, or transfer of residential housing constructed pursuant to a building permit issued on or after July 1, 1991;
2. Any residential building for which there is certified proof of compliance within 10 years from the sale/transfer;
3. Factory-built housing, manufactured or mobile homes;
4. Sales or transfers pursuant to a court order, such as:
 - a. Transfers ordered by a probate court or in the course of administration of a trust or conservatorship;
 - b. Judicial foreclosures or other transfers by a trustee in bankruptcy;
5. Transfers as a result of default to bank;
6. Transfers from one co-owner to one or more co-owners;
7. Transfers to a spouse or certain relatives;
8. Transfers between spouses as a result of divorce;
9. Short sales, defined as sales in which the purchase price paid by the buyer of the property is less than the amount of the debt secured by the property.

COST LIMITATIONS:

Because the cost savings can be immediate, it is advantageous for property owners to comply with the requirements now even if they do not intend to sell their property in the near future. Most of the work can be conducted by the homeowner at their leisure.

The CMC does limit the maximum amount you may have to spend on some measures to comply with the ordinance.

1. Minimum R-30 ceiling insulation must be installed regardless of cost.
2. If the cost of required insulation is under \$800, additional measures are required until \$800 is reached.
3. If the cost of required insulation is \$800 or more, then no additional measures are required.
4. For multi-family residences with two or more units, the cost limitation above is \$560 per unit.

Property owners may receive credit toward the maximum expenditure for measures installed within 42 months prior to the sale. The Building Official may grant credit for other conservation measures not listed above that were installed within 10 years prior to the sale.

HOW TO COMPLY:

1. **Check To See if an Inspection is Required.**

If the residential dwelling being sold or transferred was constructed pursuant to a building permit issued prior to July 1, 1991 and has **not** received a RECO energy conservation inspection within the last 10 years, it must be inspected again. To find out if your property previously received a RECO compliance certificate, check the City of Chico's website, www.ci.chico.ca.us, [Building Division Home Page](#).

2. **Schedule an Inspection.**

If a compliance certificate is not on file and an inspection is required, the property owner has to obtain a RECO inspection from a City Certified Energy Conservation Inspector.

A current list of City Certified Energy Conservation Inspectors is posted on the City of Chico's website, www.ci.chico.ca.us, [Building Division Home Page](#).

A RECO inspection can be combined with a regular private home inspection if already being conducted at the request of the buyer or seller. The RECO part of the inspection must be completed by a City Certified Energy Conservation Inspector.

The fees for private inspections are not set by the City.

3. **Complete the Work Needed for Compliance and Submit the Inspection Form to the City.**

- a. If additional measures are needed, owners may choose to perform the work themselves and greatly reduce the costs of compliance, or they may hire someone to perform the work.
- b. If the property is not in compliance, the seller may transfer the responsibility to the buyer if mutually agreed by both parties. A city-approved form must be signed by the buyer, and submitted to the Building Division. Buyers will have 180 days to complete the RECO measures after sale/transfer.

Once the work is completed, or if no additional work is required, the inspector must certify compliance by completing and signing a City-supplied conservation inspection form. The signed inspection form must be submitted to:

City of Chico, Building Division
PO Box 3420
Chico, CA 95927
411 Main Street, 2nd floor
Fax: 530-895-4726

CERTIFICATE OF COMPLIANCE:

After receiving an inspection form, the City Building Official will review the form and determine whether the property is in compliance with RECO. Once approved, a Certificate of Compliance will be issued to the property owner or the owner's representative. The City will keep the certificate on file for 10 years.

VIOLATIONS:

A violation of the RECO provisions in CMC Chapter 16.60 is an infraction and may be punishable by a fine.

ADMINISTRATIVE REVIEW/APPEAL:

Any owner, transferee, or occupant, aggrieved by a determination made or action taken by the Building Official pursuant to CMC Chapter 16.60 may apply for an administrative review of such determination or action by the Community Development Department Director. Applications for administrative review shall be made in writing and submitted to the Director within 15 days from the determination or action.

Owners, transferees or occupants may also appeal the decision made by the Director to the Chico City Council as provided by CMC 16.60.

ADDITIONAL RESOURCES:

Free showerheads and aerators, rebates, and other helpful information can be found at:

[California Water Service Company](#), (530) 893-6300

[Pacific Gas & Electric](#), 1-800-743-5000

[Valley Contractors Exchange](#), (530) 343-1981

QUESTIONS?

For further information regarding the RECO requirements, please check the City's website, www.ci.chico.ca.us, [Building Division Home Page](#).

The Building Division can also be reached at (530) 879-6700, and is located on the 2nd floor, Chico Municipal Center, 411 Main Street, Chico.

FAQ – CITY OF CHICO RESIDENTIAL ENERGY CONSERVATION ORDINANCE (RECO) RETROFIT PROGRAM, JULY 16, 2014

Where do I start?

- If the residential property is in City of Chico limits and built prior to 1991, check to see if there is a current retrofit compliance certificate for the property – certificates are valid for 10 years.
- Certificate list and other retrofit program information can be found on the City's website - www.ci.chico.ca.us, [Building Division page](#), right-hand side.

What is the overall process to comply?

- Schedule an inspection by a City Certified Energy Conservation Inspector, list available on website.
- The inspector will determine what measures are out of compliance, then the seller will complete the required measures in priority order, have the inspector certify compliance, and an inspection form will be forwarded to the City Building Division for issuing a compliance certificate.

How does the cost limitation work?

- Minimum R-30 ceiling insulation must be installed regardless of cost.
- If the cost of required insulation was under \$800 - then you need to complete required additional energy conservation measures in priority order until you reach a total of \$800 spent.
- If the cost of required insulation was \$800 or more - then you are done.
- For multi-family with two or more units, the cost limitation above is \$560/unit.

Do I get credit for the money I recently spent installing R-30 ceiling insulation and additional energy conservation measures?

- Yes, if it the required insulation and additional measures have been installed within 42 months (3 ½ years) preceding the sale/transfer. A receipt or invoice is required.

Are there other energy conservation measures that count towards this program?

- Yes, but first minimum R-30 ceiling insulation must be installed.
- Credit for other energy conservation measures installed within 10 years preceding the sale/transfer may be granted by the Building Official. Examples include replacing single with dual-paned windows, HVAC, tankless water heaters, and solar panels. A City of Chico Building permit must have been obtained, finalized, and verified to receive credit for any other measures.

What if the buyer instead of the seller is going to have the retrofit work done?

- Complete a Retrofit Transfer of Responsibility Agreement, form available on website.

What are common exemptions from program?

- Factory-built housing, mobile homes, manufactured housing.
- Sale/transfer by court order - probate court, administration of a trust, foreclosure, bankruptcy.
- Transfers – result of default, to co-owner, to spouse or relative, between spouses in divorce.
- Short sale.

Where can I find additional information or get assistance?

- City's website - www.ci.chico.ca.us, [Building Division page](#).
- Current RECO program administrator, Jessica Henry, jessica.henry@chicoca.gov, 530-879-6820.
- Building Division, 530-879-6700, 411 Main Street, City Hall, 2nd floor, closed 12:00-1:00 pm.