Community Climate Action Plan

Progress Report

APRIL 2026

ACKNOWLEDGMENTS

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PROGRESS REPORT SUMMARY

Introduction

The City of San Luis Obispo (City) and the community have been working hard to reduce pollution, create more clean energy, provide more ways to move around the community, and do so in a way that supports other goals related to housing, diversity, equity, and inclusion, economic development, and community resilience. In 2020, the City Council adopted the *Climate Action Plan for Community Recovery* (Climate Action Plan, or "CAP") that set forth and established an ambitious communitywide goal of carbon neutrality by 2035. Consistent with the schedule adopted with the 2020 CAP, staff provide the City Council and community with a progress report every four years.

What's Inside

The 2026 Progress Report (the "Report") includes information about the City's Climate Action Plan, updated greenhouse gas emissions trends, and detailed information about implementation progress since the adoption of the Climate Action Plan. The Report is organized into the following Chapters:

1. **Progress Report Background** shares information about the history of climate action in San Luis Obispo and provides the context for this progress report.
2. **Greenhouse Gas Emissions Inventory and Forecast Snapshots** updates historic greenhouse gas emissions inventories, provides a 2024 inventory update, and forecasts emissions for 2030, 2035, and 2045.
3. **Climate Action Progress by Pillar** explains the different sectors of the Climate Action Plan, reports on implementation progress to date, identifies implementation headwinds and momentum, and looks ahead to how the City can support continued emissions reductions through 2045.

Progress Report Summary Findings

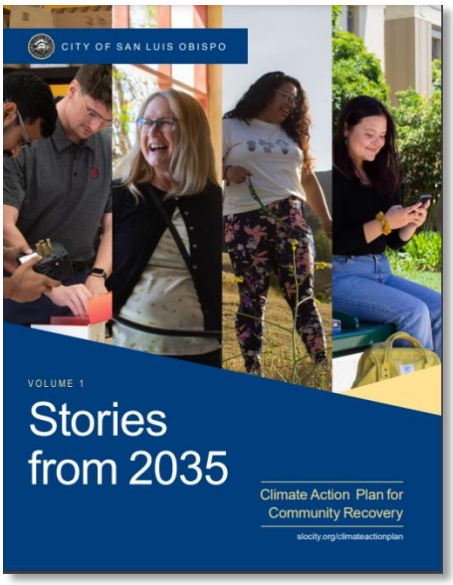
Based on the work completed for the Report, staff have identified four key findings:

1. **The City's leadership and investments in climate action produce measurable results, invite outside resources (including over $57 million in external funding for CAP implementation actions since 2020), and demonstrate the effectiveness of sustained local leadership**. Staff across City departments and programs are aligned in advancing CAP strategies and have reduced community emissions in partnership with local organizations and residents. Our local electricity provider is committed to providing 100% carbon-free electricity by 2030, enabling more homes and vehicles in our community to transition from fossil fuels and plug into a cleaner grid. The City is investing in essential active transportation infrastructure, making it safer and more convenient to walk, bike, and use transit. Citywide organics recycling is reducing emissions from the landfill, and climate-forward management of City open spaces, parks, and the urban forest is increasing carbon sequestration.
2. **Regional, state, and federal policy changes are introducing new constraints on local climate progress.** While local climate programs and projects are gaining momentum, factors outside of the City's direct control are making it more challenging to reduce emissions. These factors include funding limitations for regional transit and regional low-carbon mobility options, statewide legislative and regulatory decisions affecting electricity affordability and clean energy deployment, and significant shifts in federal priorities that have disrupted the funding landscape for green buildings and low-carbon transportation.
3. **Regional vehicle trips and natural gas use in existing buildings remain the most significant obstacles to achieving Council's 2035 carbon neutrality goal.** The external challenges described above, combined with higher-than-anticipated regional growth projections, indicate that there will be more fossil fuel powered buildings and vehicles in the future than originally forecasted. Without additional intervention, this trend will widen the gap between current trajectories and adopted targets. The 2027 Climate Action Plan update can respond directly to these findings and identify practical strategies to close that gap.
4. **Persistent local innovation and creativity will be required to reach carbon neutrality goals.** The City's role as a leader in local climate action remains clear. Maintaining momentum will require deliberate policy direction and sustained investment. New tactics are required for successful collaboration with regional and state partners, including leadership on regional boards and commissions, and new forms of advocacy on the state level. Internally, the City will need to find creative solutions to go further with the resources available, and community organizations will need to continue playing a major role in local success.

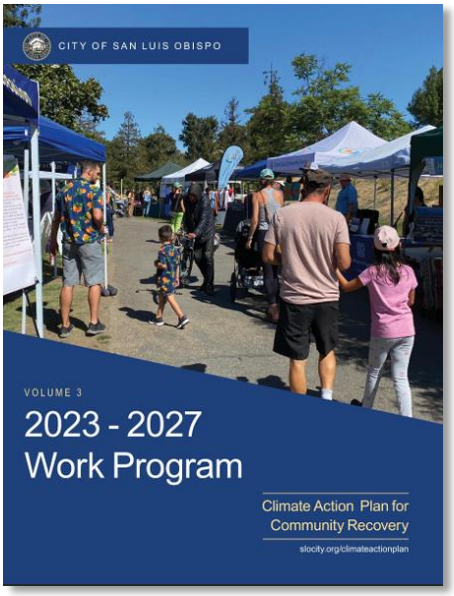
1. PROGRESS REPORT BACKGROUND

Background

In 2012, City Council adopted the City's first Climate Action Plan (CAP), which established (and achieved) the goal of reducing greenhouse (GHG) emissions by 15% by 2020. In 2020, Council adopted a comprehensive update that included a communitywide goal of carbon neutrality by 2035. The 2020 CAP set a long-term vision for reducing greenhouse gas emissions, while also helping achieve local resilience, economic development, housing, and social equity goals. In 2022, Council adopted the 2023-27 CAP Work Program that reaffirmed the 2035 carbon neutrality target and refined the City's strategies in response to evolving state policy, implementation experience, and updated emissions data.



This 2026 Climate Action Progress Report (2026 Progress Report) provides a snapshot of the City's implementation efforts since adoption of the 2020 CAP and its subsequent update. The Progress Report provides findings from an updated greenhouse gas emissions inventory and forecast, summarizes progress across each of the six CAP pillars, highlights key implementation trends, and identifies areas where additional action may be needed. A detailed, action-by-action implementation review that reflects work completed through March 2026 is provided in Appendix A. This Report is intended to act as a "check-in" in advance of the comprehensive Community Climate Action Plan update, scheduled for early 2027.



Climate Action Plan & Progress Report Development Process

The Climate Action Plan organizes actions into six pillars that address the City's primary sources of greenhouse gas emissions. Implementation follows a regular and repeating cycle of evaluating emissions

through inventories, advancing priority actions, monitoring progress, and adjusting strategies over time. This approach allows the City to respond to changing conditions while maintaining focus on its long-term carbon neutrality goal.

February 2026 Green Buildings Stakeholder Forum

The planning and implementation of the Climate Action Plan occurs over four repeating steps, including evaluating existing conditions via a greenhouse gas emissions inventory, identifying key actions to eliminate greenhouse gas emissions, implementing those actions, and monitoring progress via this progress report. This cycle is intended to be completed every four years until the community achieves its goal of carbon neutrality.

The 2026 Progress Report was informed by extensive community outreach including seven roundtable workshops with community-based organizations and regional public agencies, a community meeting and webinar, and conversations with boards or committees at numerous organizations including the San Luis Obispo Chamber of Commerce and the San Luis Obispo Climate Coalition.

Green Team

Climate action planning and implementation are supported by the City's Green Team, a cross-departmental group of staff that helps coordinate efforts across City functions. The Green Team enables shared ownership of climate goals, integrates sustainability into day-to-day operations, and supports an all-City approach to achieving both municipal and communitywide emissions reductions.

Staff from the City's Green Team

Local, Regional, Statewide, and National Collaboration

Since the 2020 Climate Action Plan was adopted, City staff have been collaborating with cities throughout California and the United States to ensure lessons learned in other places allow the City to do the work as efficiently as possible. Examples of collaboration include:

- Green Cities California is a network of around 30 California cities and counties that collaborate on projects related to local energy reach codes that require buildings to be more efficient, electric vehicle chargers, and renewable energy, among other things.
- Urban Sustainability Network is a network of over 200 U.S. and Canadian cities and counties that also collaborate on best practices for achieving local climate goals.

- The Santa Barbara and San Luis Obispo Climate Compact is an informal working group comprised of staff from the City of Santa Barbara and the City of San Luis Obispo. Both cities have carbon neutral by 2035 targets and collaborate on approaches to achieve those goals.

Photo of 2025 Green Cities California Annual Meeting

Implementation Resources

A central principle of the 2020 CAP is that leadership brings resources, and since 2020, the City also brought in substantial funding from outside resources to help achieve the actions in the Climate Action Plan, totaling over $57 million. The amount provided in this section is conservative, may not be inclusive of all grants or rebates received, and doesn't account for the grant funded work completed by community-based organizations and regional public agencies (e.g., 3C-REN, 3CE, and APCD). Table 1 provides a summary of major grants, rebates, and incentives that the City has received by sector.

Table 1. External Funding for Climate Action Plan Implementation (2020-25)

Sector	Total
Lead by Example	$11,531,876
Clean Energy and Green Buildings	$956,798
Connected Communities (Transportation)	$44,159,489
Solid Waste	$259,078
Natural Solutions	$656,996
Total	$57,564,238

***Note:** the "Lead by Example" total includes $7,332,979 in tax credit funds pending final review by the Internal Revenue Service (IRS) and $76,790 in formula funds committed to the City by the US Department of Energy (DOE). Disbursements from the Federal Government are delayed in both instances.*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2. GHG INVENTORY AND FORECAST SNAPSHOTS

GHG Inventory Background

A greenhouse gas (GHG) inventory is a measure of GHG emissions that have occurred as the result of activity in a jurisdiction or a geographic area in a calendar year. Greenhouse gas emissions are modeled by multiplying data about activity (e.g., the amount of electricity consumed, the number of miles travelled in fossil fuel powered vehicles, the tons of solid waste sent to the landfill, etc.) by the greenhouse gas emission content of a typical unit of that activity (e.g., the average greenhouse gas emissions content per unit of combusted natural gas).

Consistent with California Air Resources Board guidance and related reporting protocols, this inventory accounts for three common greenhouse gases: carbon dioxide (CO_2), methane (CH_4), and nitrous oxide (N_20). Since methane and nitrous oxide are substantially more potent greenhouse gases than carbon dioxide (86 and 265 times more potent, respectively), the emissions modeled from their release into the atmosphere are multiplied by their respective potential to warm the atmosphere relative to CO_2 The reporting unit for greenhouse gas emissions is “Metric Tons of Carbon Dioxide Equivalence”, or $MTCO_2e$.

The City’s inventory includes emissions related to electricity and natural gas used in buildings and facilities (including electricity used to treat and move water), energy used for vehicles, and pollution for landfilled solid waste. The GHG emissions sectors included in the City’s inventory are required sectors consistent with California Air Resources Board guidance and do not include optional sectors associated with off-road equipment, wastewater treatment, and aviation, among other things. The “narrow and deep” approach to pursuing ambitious action in the required sectors is consistent with direction Council approved at the December 14, 2022 adoption of the 2023-27 Climate Action Work Program. This section provides a snapshot of the most recent San Luis Obispo communitywide GHG inventory and forecast work.

The inventories and forecasts are subject to change as the City updates them with best available data throughout the 2027 CAP update process. In particular, the forecasts are subject to change as new economic and regional growth forecasts become available. As such, the snapshots provided in this report are best used as an indicator of the general scale and direction of emissions through 2045.

GHG Inventory and Forecast Snapshot

According to the City’s current GHG inventory and forecast snapshots, San Luis Obispo’s 2024 GHG emissions decreased by approximately 20% from 2005 levels and are expected to continue to decrease through 2035. As shown in Table 2, emissions in 2035 are expected to be at 218,810 $MTCO_2e$ (approximately 50% below 2005 levels). Chapter 4 provides additional inventory and forecast detail and findings for each of the inventoried emissions sectors.

The 2027 CAP will include a technical GHG inventory and forecast memorandum that will provide extensive detail about the methods and data used to calculate the City's GHG emissions estimates.

Table 2 GHG Emissions Inventories and Forecasts, 2005-2045 ($MTCO_2e$).

Sector	2005	2016	2023	2024	2030	2035	2045	% Change (2005-35)
Buildings (Electricity)	59,580	32,690	75,950	43,690	470	440	390	**-99%**
Buildings (Gas)	57,120	51,310	58,780	54,170	51,400	39,920	24,300	**-30%**
Transportation (Internal Trips)	83,720	67,760	44,800	44,800	40,520	33,160	14,560	**-60%**
Transportation (Regional Trips)	191,690	155,140	180,330	180,330	166,740	138,710	62,690	**-28%**
Solid Waste	47,740	42,630	28,950	29,480	11,100	6,580	3,590	**-86%**
Total	**439,850**	**349,530**	**388,810**	**352,470**	**270,230**	**218,810**	**105,530**	**-50%**
% Change from 2005		-21%	-12%	-20%	-39%	-50%	-76%	

Note: The figures reported in this table reflect the best available analysis as of March 2026. These numbers may be revised ahead of the 2027 CAP update pending additional data or updated economic and demographic forecasts.

Local and Statewide GHG Emissions Reduction Goals

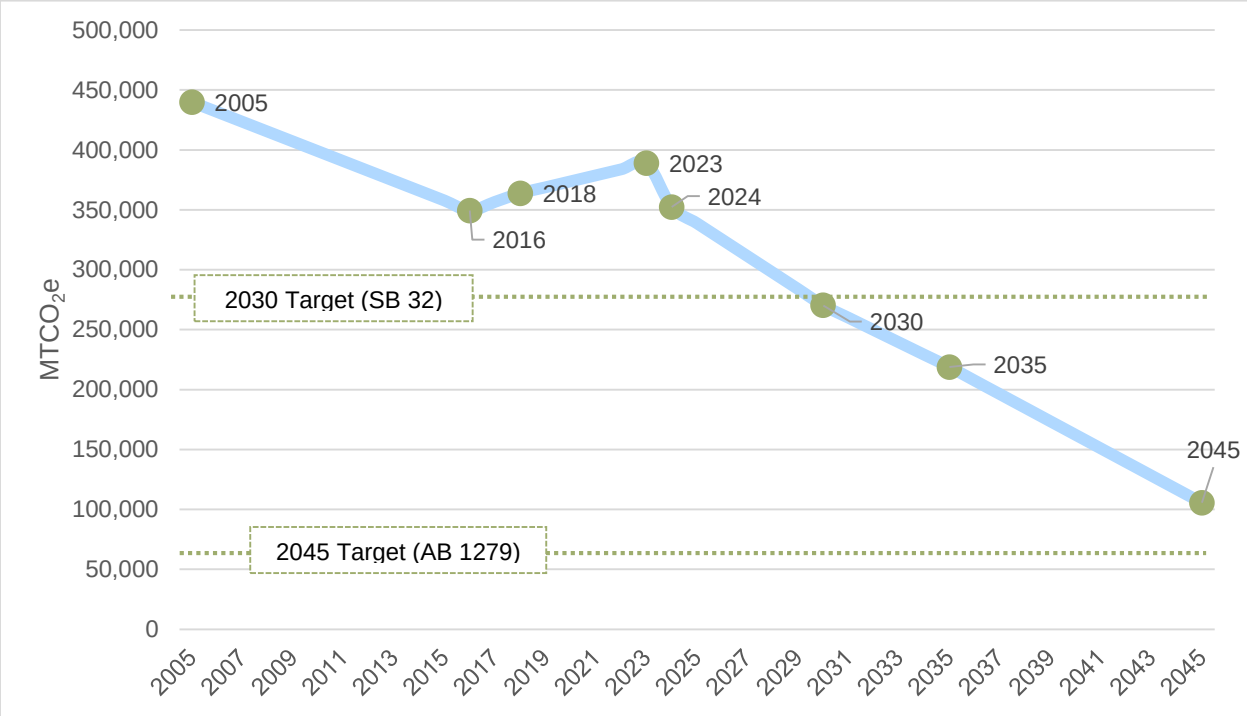
The City's 2035 carbon neutrality goal is a local policy preference that sits inside the California legal framework related to greenhouse gas emissions. The City's climate action efforts are now informed by two statewide GHG emissions targets that have been adopted or clarified since the adoption of the 2020 CAP:

- SB 32 sets a 2030 regulatory goal to reduce statewide greenhouse gas emissions to 40 percent below 1990 levels. Since 2020, new guidance on how cities should calculate this as a local goal has been issued and the City's current analysis is that with implementation of the existing CAP, the City is on track to achieve this goal.
- AB 1279 sets a 2045 regulatory goal of achieving net-zero emissions "as soon as possible," and no later than 2045, with at least an 85 percent reduction in emissions by that date.[1] The City's current analysis shows that the implementation of the Climate Action Plan does not put the City on track to achieve local reductions consistent with AB 1279.

Figure 1 illustrates the GHG emissions provided in Table 2 in relationship to the 2030 target (SB 32), the 2035 target (Council's adopted goal), and the 2045 target (AB 1279). The gap between the forecasted emissions and the City's goals represents the gap that the 2027 Climate Action Plan needs to address.

[1] The guidance for establishing an 85% reduction assumes statewide carbon sequestration initiatives achieving the other 15% as modeled by the California Air Resources Board and included in its 2022 Climate Scoping Plan.

Figure 1. GHG Emissions Relative to State and Local Goals (2005-2045 in MTCO2e)




CITY OF SAN LUIS OBISPO
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3. CLIMATE ACTION PROGRESS BY PILLAR

The following section presents progress updates for each of the six Climate Action Plan pillars, which together organize the City's approach to reducing community-wide greenhouse gas emissions. Each pillar summary provides a snapshot of where the City is making progress, where challenges remain, and how current efforts align with the City's long-term carbon neutrality goal. Where this section describes progress on a particular pillar action, the action is identified in parentheses. More details about each action and the entirety of the 2023-27 CAP Work Program can be found at the end of this report in the CAP Implementation Matrix (Appendix A).

Each section concludes with a look to the future, reflecting on the remaining emissions-reduction gap and identifying opportunities, emerging strategies, and policy considerations that may be necessary to achieve the City's community carbon neutrality target.

PILLAR 1: LEAD BY EXAMPLE

Pillar Overview

The City of San Luis Obispo is a highly visible organization whose climate commitments and results can inspire others to take similar action. The City is reducing greenhouse gas emissions across municipal operations (e.g., in City buildings, facilities, and fleet vehicles), while also integrating climate action into economic development, and community partnerships.

The City has adopted a goal of carbon-neutral operations by 2030, five years ahead of the community target. By reducing municipal emissions, the City is demonstrating that carbon neutrality is achievable and can share lessons with residents, businesses, and other local governments.

Since 2021, the municipal operations emissions reduction strategies have been moved to a separate planning document: *Lead by Example:*

Goal
Carbon neutral government operations by 2030

Progress
Projected 84% reduction in covered municipal operations emissions by 2030

Headwinds
- Elimination of federal rebates and incentives
- Fluctuation in the EV truck market

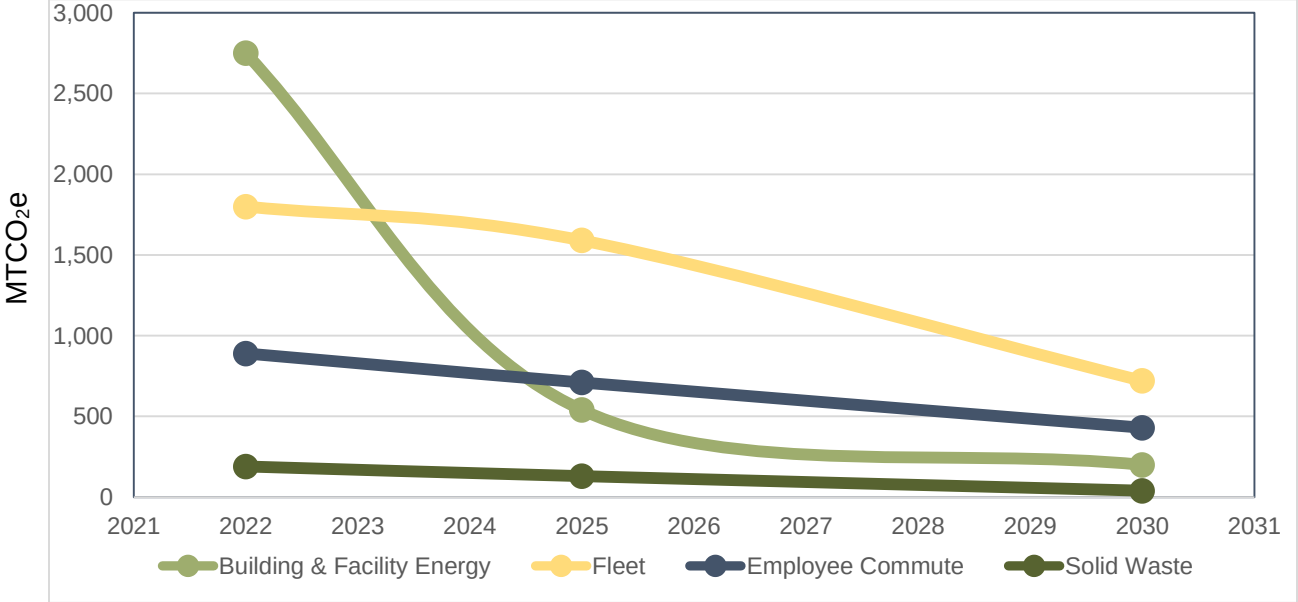
Momentum
- Ongoing rebates and incentives from 3CE
- Fleet continues to electrify and the charging depot at the Corp Yard is now in design

A Plan for Carbon Neutral Municipal Operations. The plan's progress report was presented to Council in May of 2024, and the Plan update was adopted by Council in February of 2025. As illustrated in Figure 1, the updated Lead by Example Plan reports progress between 2022 and 2024 and forecasts an 84% reduction in municipal operations emissions by 2030.[2]

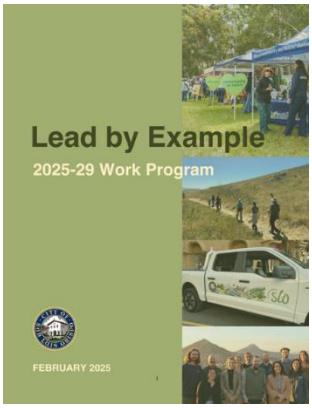
Sector Emissions Inventory and Forecast

Figure 2 shows activity data and historical emissions trends for municipal operations from 2022 to 2024, alongside forecasts through 2030. Emissions from City buildings and facilities are expected to decrease rapidly by 2030 while other sectors, such as employee commute and fleet face greater challenges and are expected to decrease less rapidly.

Figure 2. Municipal Operations Emissions Inventory (2022-2024) and Forecast (2025-2030)



Implementation Progress



As noted above, the 2025 *Lead by Example* plan reports that the City is on track to achieve an 84% reduction in covered municipal operations emissions by 2030 (for more detail, see the *Lead by Example 2025-29 Work Program).* In addition to municipal operations decarbonization, the *Lead by Example* pillar also includes actions related to community leadership and partnerships and capacity building.

Visibility and Community Leadership

Leading by Example only works if people are aware of what work is being completed and why it is a priority. To enhance visibility, the City created the Sustainable SLO brand, which has been applied to electric

[2] The Lead by Example Plan addresses required emissions sectors per the Local Government Operations Protocol (LGOP), which includes electricity and natural gas consumption, solid waste, and transportation. The Lead by Example Plan also provides an estimate of direct emissions from wastewater treatment for informational purposes. For more information, see the Lead by Example Council Agenda Report at: https://opengov.slocity.org/WebLink/DocView.aspx?id=218409&dbid=0&repo=CityClerk&cr=1

fleet vehicles, buses, waste infrastructure, and trailheads, among other things. This branding is supported by ongoing communication through social media, newsletters, and in-person events, translating technical progress into accessible stories.

Partnerships and Capacity Building

Beyond City operations, the “Lead by Example” pillar emphasizes capacity building and partnerships. The City has invested in and collaborated with community-based organizations to expand the reach of climate action, including low-income energy programs delivered through CAPSLO, urban forestry with ECOSLO and Rotary de Tolosa, watershed restoration with Creek Lands Conservation, sustainable agriculture education with City Farm SLO, and cultural fire and ecological restoration in partnership with yak tityu tityu yak tiłhini Northern Chumash Tribe (Leadership 3.1.A). Through these partnerships, the City can help other organizations make progress on the community’s climate action goals while benefiting from their unique expertise. While as a small municipality, the City lacks the capacity and leverage to meaningfully influence regional workforce efforts, the City benefits from broader efforts led by REACH and the Workforce Development Board (Leadership 2.2.A).

Reaching Carbon Neutrality

As City operations approach carbon neutrality, the role of Lead by Example will be to maintain the emissions reduction progress achieved to date, while also investing more time and support into community organizations that seek to do the same.

PILLAR 2: CLEAN ENERGY SYSTEMS

Pillar Overview

A carbon-neutral, affordable, and reliable electricity system is the foundation of the City's greenhouse gas reduction strategy. Clean electricity reduces emissions from current electricity use and enables a zero-emissions alternative for fossil-fuel appliances, equipment, and vehicles.

As illustrated in Figure 2, in 2024, electricity used in San Luis Obispo generated an estimated 43,690 MTCO2e, about 12% of total communitywide emissions. This reflects a 27% reduction from 2005 levels.

Goal
100% carbon free electricity by 2020

Progress
27% reduction in electricity emissions since 2005; expected to reach goal by 2030

Headwinds
- Federal Regulatory and Financial Incentive Changes
- California Regulatory Changes
- Increased Construction Costs

Momentum
- 3CE's new renewable energy projects are coming online
- Batteries prices continue to decrease while making the grid cleaner and more resilient

Implementation Progress

Since 2020, the City has pursued a goal of carbon-free electricity. The Climate Action Plan primarily advances this goal by supporting Central Coast Community Energy's commitment to provide carbon-neutral electricity by 2030. The Plan also includes strategies to improve grid reliability, access, and affordability in coordination with PG&E, and to explore potential decarbonization pilot programs with SoCal Gas.

Clean energy actions focus on transforming the electricity supply that underpins nearly all other decarbonization strategies. The foundation of local climate action is that the electricity grid will continue to get cleaner over time, and through efficiency and transitioning from fossil fuel appliances to electric appliances, the community will reduce and eventually eliminate emissions.

Community Choice Energy Participation

The City continues to support and participate in Central Coast Community Energy (3CE), with over 96% of local electrical load served by the community choice aggregator (Clean Energy 1.1.A). Since launch, more than $4.1 million in incentives and rebates have flowed back to the community for electric vehicles, charging infrastructure, and building electrification, reinforcing the local benefits of participation.

After a temporary increase in reported 3CE emissions intensity between 2021 and 2023 driven by the transition from purchasing carbon credits to the direct investment in new renewable energy projects, emissions declined in 2024 as new renewable projects came online and reset the trajectory to carbon neutral electricity by 2030.

3CE is governed by a Policy Board composed of elected officials and an Operations Board composed of City Managers. The City of San Luis Obispo shares a board seat with the City of Morro Bay and per a memorandum of agreement between the agencies, alternate representation every two years. San Luis Obispo represented the seat in 2019 through 2024 and will do so again in 2027 and 2028.

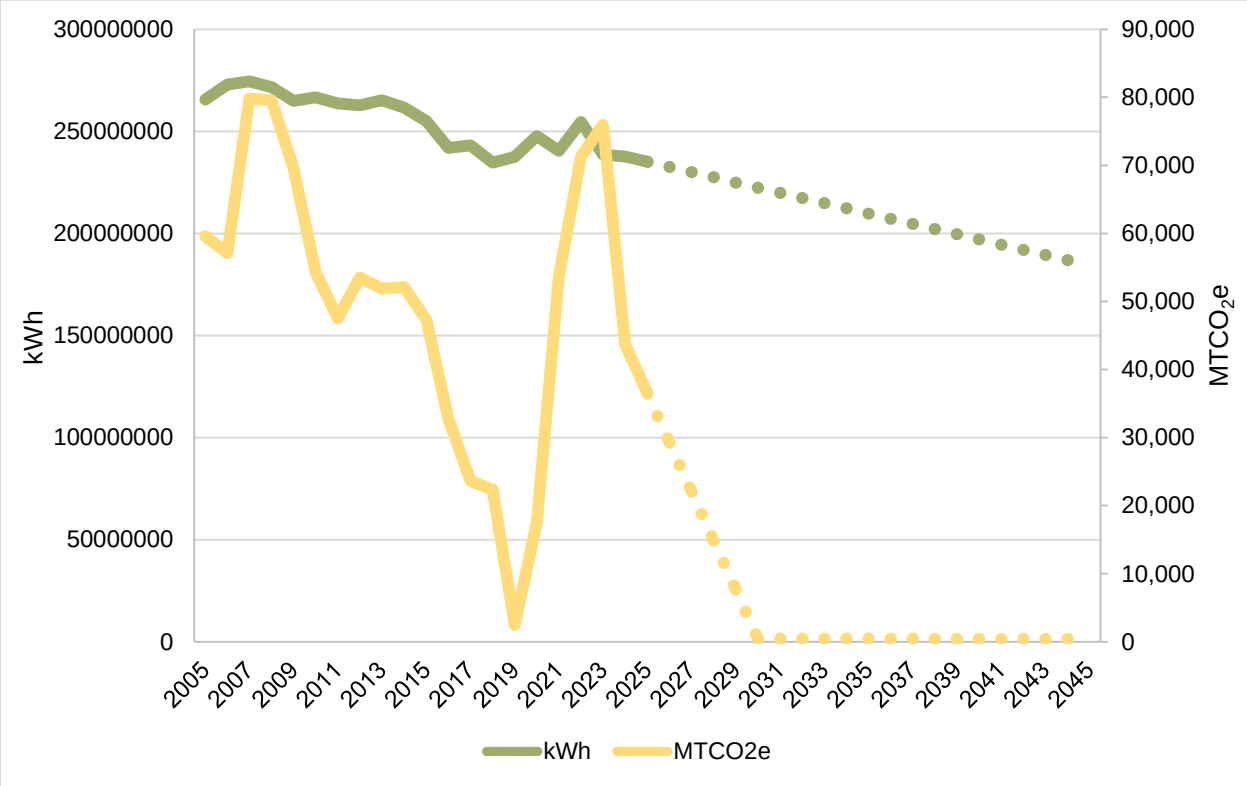
Grid Reliability and Affordability

Grid reliability concerns have shifted over time. Earlier fears related to Public Safety Power Shutoffs (PSPS) have eased, with no PSPS events affecting the City in recent years (Clean Energy 2.1.A). Instead, the primary challenge has become the pace of interconnection for new housing, EV charging, and renewable projects, combined with steep electricity rate increases. PG&E rates have nearly doubled since 2018, largely due to required and deferred distribution system maintenance and wildfire mitigation costs, creating affordability concerns as electrification accelerates.

Sector Emissions Inventory and Forecast

Figure 3 shows activity data and historical emissions trends for the electricity sector from 2005 to 2024, alongside forecasts through 2045. Electricity emissions are forecasted to reach zero by 2030 as 3CE invests in renewable energy projects.

Figure 3. Electricity kWh and Emissions Inventory (2005-2024) and Forecast (2025-2035)



Headwinds and Momentum

The following headwinds emerged since 2020 that have slowed or threaten to slow progress:

- Federal Regulatory and Financial Incentive Changes - the elimination of tax credits and other financial incentives, combined with permitting obstacles makes rapid deployment of renewables more difficult.
- Regulatory Changes - California Public Utilities Commission's decisions related to PG&E rates, non-by-passable fees, and resource adequacy, among other things, continue to make 3CE's business of providing low-cost clean electricity unnecessarily difficult.

- Increased Construction Costs - High material costs, interest rates, and labor costs translate to higher energy costs.

Despite these challenges, momentum exists for progress, including:

- 3CE's new renewable energy projects are coming online and the organization continues to reach new levels of organizational and financial maturity.
- Batteries continue to become more affordable, and the California grid has over 17,000 megawatts of battery storage — a 2,100% increase in capacity since 2019[3].
- Statewide clean energy progress continues; in 2025 there were 279 days when 100% clean energy met or exceeded demand for a portion of that day, with an average of 5.1 hours of 100% clean energy per day (this is a rapid increase from 42 days in 2022, 136 in 2023, and 219 days in 2024)[4].

Reaching Carbon Neutrality

Clean electricity remains essential to achieving carbon neutrality and future progress will depend on affordability as much as supply. Rising rates risk slowing adoption of electric vehicles and appliances, particularly for low-income households. While the purpose of this report is to provide a progress report, staff also asked community members and stakeholders during the outreach component for ideas that might bend the emissions curve towards carbon neutrality. Innovative new ideas include engaging in legislative advocacy in support of affordable and reliable clean electricity, as well as creating more accessible pathways for community members to install solar or battery energy systems at their homes or businesses.

Photo of a geothermal plant near the Mammoth Lakes area that provides clean electricity to 3CE customers

[3] https://www.energy.ca.gov/data-reports/energy-almanac/california-electricity-data/california-energy-storage-system-survey
[4] https://www.energy.ca.gov/data-reports/clean-energy-serving-california/tracking-progress-toward-100-clean-energy

PILLAR 3: GREEN BUILDINGS

Pillar Overview

A carbon neutral San Luis Obispo is one in which nearly all energy used in buildings and facilities comes from clean electricity. In 2024, energy use in buildings and facilities (electricity and natural gas) generated an estimated 97,860 MTCO2e, about 27% of total communitywide emissions. This represents a 16% reduction from 2005 levels.

Since 2020, the City has pursued a goal of reducing building-related emissions by 50% by 2030. The strategy focuses on two core actions: 1) minimizing emissions from new construction through building codes and 2) reducing emissions from existing buildings through energy efficiency retrofits. Work on existing buildings also includes supporting voluntary electrification and evaluating regulations that would require efficiency upgrades in certain situations.

Goal

No net new building emissions from onsite energy use by 2020; and a 50% reduction in existing building emissions by 2030

Progress

16% reduction in electricity emissions since 2005; reductions in existing building emissions are slower than expected.

Headwinds

- CPUC regulatory decisions have devalued solar and increased the cost of electricity

Momentum

- Efficient electric appliances are readily available to consumers
- Relative cost of electricity compared to natural gas is projected to decrease over time
- Local governments nationwide have tested viable new ideas for market transformation
- California continues to enforce ambitious climate policies across regulatory spaces

CAP Implementation Progress

Low Emissions New Construction

The City has made strong progress reducing emissions from new buildings. In 2022, the City adopted all-electric requirements for new construction and implemented them through 2023. After federal law limited local authority to require electrification, the City shifted to targeted amendments to the California Energy Code that strongly encourage low- and zero-emissions buildings (Green Buildings 1.1A).

Between 2021 and mid-2025, approximately 79% of permitted buildings reporting energy data were all-electric. Most of the remaining new buildings had only a single major appliance connected to natural gas.

Existing Building Energy Retrofits

As anticipated in the 2020 Climate Action Plan, reducing emissions from existing buildings has been more challenging. Permit data shows early signs of market transformation, with growing adoption of electric heat pump water heaters and HVAC systems, compared to virtually no permits for these technologies in 2020.

Overall natural gas use has declined only modestly, with a 5% decrease between 2005 and 2024. During that period, residential gas use decreased by approximately 14% and non-residential use increased by 8%.

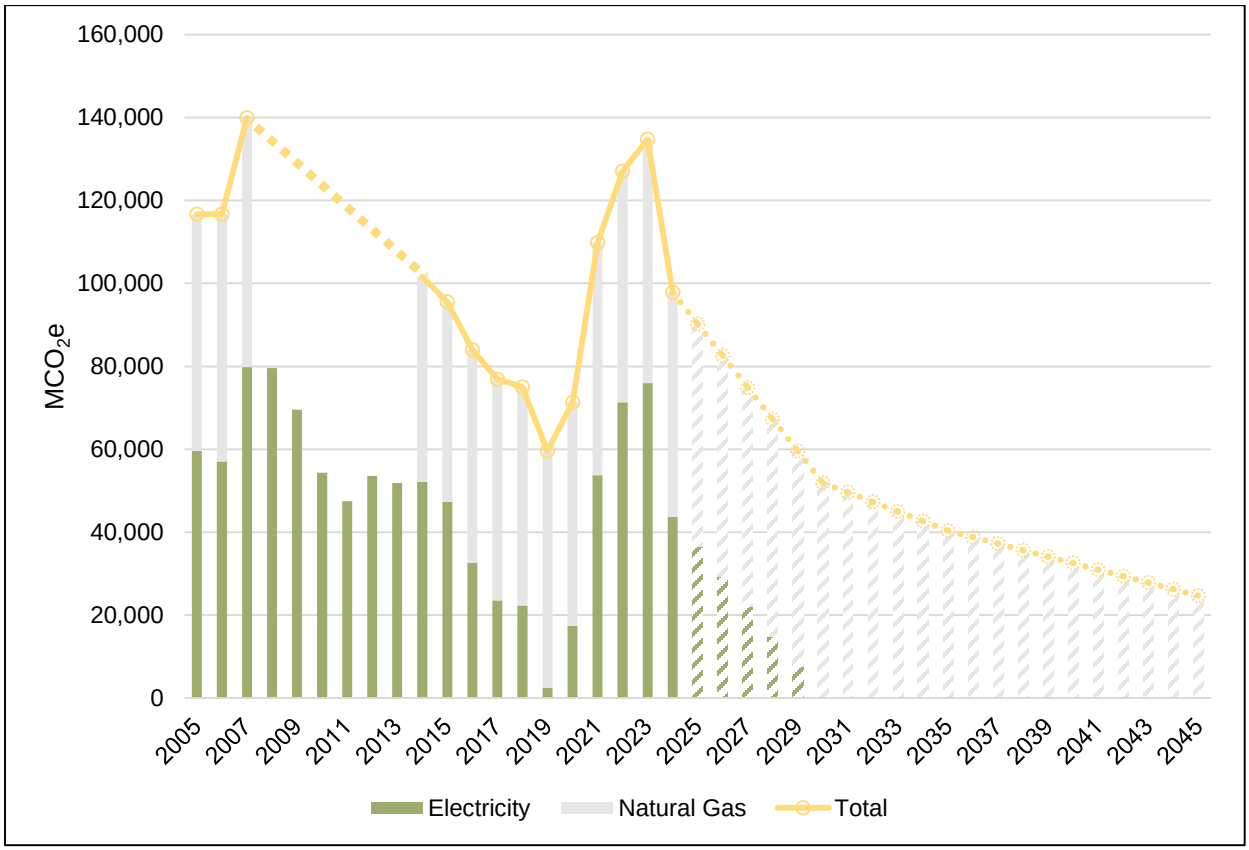
As detailed in Appendix A, the City has completed multiple actions to support existing building retrofits, including:

- Piloting high-visibility, equity-focused retrofit projects, particularly in manufactured housing communities, through partnerships with CAPSLO and the Diversity Coalition. These efforts provided energy audits, weatherization, heat pump installations, and ongoing energy coaching, providing information installation cost, feasibility, and utility bill impacts (Green Buildings 2.1B).
- Implementing permitting and process improvements such as permit discounts, rebate referrals at application, SolarAPP+, and access to technical assistance through 3C-REN's Code Coach (Green Buildings 2.1C).
- Partnering with 3CE to simplify access to rebates, resulting in more than $1 million in community rebates since 2020 for building energy efficiency, electrification, batteries, and all-electric new construction (including ADUs) (Green Buildings 2.1.B).
- Advancing regulatory exploration through study sessions on additions-and-alterations requirements, voluntary time-of-sale energy disclosure, and early evaluation of building performance standards for large buildings (Green Buildings 2.1E). The City has adopted energy efficiency requirements for major single-family additions and alterations, plans to launch a voluntary home energy score program in spring 2026, and has identified the approximately 100 buildings that exceed 50,000 square feet in floor area and the approximately 150 buildings that are between 25,000 and 50,000 square feet that could be included in a large-building energy disclosure program.

Sector Emissions Inventory and Forecast

Figure 4 shows activity data and historical emissions trends for the buildings sector from 2005 to 2024, alongside forecasts through 2045. Electricity emissions are forecasted to reach zero by 2030 as the grid becomes cleaner, while emissions from natural gas use in buildings are expected to persist over time.

Figure 4. Green Buildings Sector Emissions Inventory and Forecast



Headwinds and Momentum

While the emissions reductions associated with this sector were always expected to be challenging, the following headwinds emerged since 2020 that have slowed or threaten to continue slowing progress.

- Changes to California Public Utilities Commission rules have substantially reduced the value of rooftop solar, which previously had been a key component of cost-effective electrification.
- California Public Utilities Commission's decisions related to PG&E's rates and to allowing PG&E to change certain fees that impact 3CE customers has made it more challenging to address the price gap between electricity and natural gas in the short term.
- Changes to the federal tax code, as well as changes to state rebates and incentives, have reduced the funding available for energy efficiency retrofits.

Despite these challenges, some momentum exists for progress, including:

- The appliance market has undergone the early phases of transformation, with heat pump equipment and induction cooking appliances now readily available at retail and distribution locations.
- National innovation continues, with two notable examples being the launching of public utility in Ann Arbor, MI focused on providing solar and battery systems using local contractors at a fixed low cost and the emergence of “plug in” solar as a cheap way for almost every person with an outlet and access to the sun can participate in the clean energy transition.
- The State of California continues to make progress towards its own 2030 and 2045 climate goals, including through the 2025 California Energy Code that encourages new buildings to be all-electric and the California Air Resources Board’s Zero-emissions Appliances rulemaking process that would prohibit natural gas appliances from being sold in California starting in 2030.

Reaching Carbon Neutrality

Existing buildings represent the second largest remaining emissions gap. Voluntary programs alone are unlikely to achieve the scale and speed of retrofits required by 2035. Closing this gap may require new policy tools, such as mandatory energy disclosure, phased performance standards, or targeted retrofit requirements, paired with robust financial assistance and technical support. Ensuring affordability and health benefits, particularly for low-income households and renters, will be essential to maintaining continued progress.

While the purpose of this report is to provide a progress report, staff also asked community members and stakeholders during the outreach component for ideas that might bend the emissions curve towards carbon neutrality. Innovative new ideas include engaging in legislative advocacy in support of affordable and reliable clean electricity and evaluating the feasibility of Ann Arbor’s Sustainable Energy Utility model.

PILLAR 4: CONNECTED COMMUNITY

Pillar Overview

Transportation remains the City's largest source of emissions. The City tracks local emissions from internal trips that originate and end within City limits, but also takes responsibility for half of the emissions from regional vehicle trips, which account for 80% of emissions in this sector. In 2024, emissions from transportation generated an estimated 225,130 MTCO2e – about 63% of total communitywide emissions. This represents an 18% reduction from 2005 levels.

Since 2020, the City has pursued a goal of reaching a mode split of 50% (or less) single occupancy vehicle trips, with the remaining trips occurring via transit (7%), biking (20%), walking (12%), and carpool and other (11%). Progress in this sector looks like a community where people can comfortably walk, bike, or take transit for daily trips, and where remaining car travel increasingly occurs in electric vehicles supported by convenient, reliable charging. The City's strategy for reaching this mode split includes building active transportation infrastructure for walking and biking, investing in innovative transit solutions and models, and enabling a robust EV charging network, all while supporting compact development patterns.

Goal

Achieve General Plan Mode Split Objective by 2030; 40% VMT by electric vehicles by 2030

Progress

18% reduction in transportation emissions since 2005. The City achieved mode split objectives early for walking and carpooling, but is behind on increasing transit and bike use, and on reducing rates of driving alone

Headwinds

- SLO Transit and RTA ridership declined in the early 2020s as a result of the pandemic
- Federal funding priorities have shifted away from sustainable transportation.

Momentum

- Rapid construction of 1/3rd of the Tier 1 active transportation network
- SLO Transit ridership increases year after year and is at 77% of the annual ridership prior to the pandemic
- Internal walking, carpool, and other trips surpassed the City's mode split objectives five years early

CAP Implementation Progress

Mode Shift

As of 2025, surveys show that the City has reached General Plan mode split objectives for walking and carpooling (including other) but is behind on the percentage of trips taken by bike and transit. As seen in Table 3, 15% of citywide trips are taken on foot, 12% by biking, 3% by transit, 12% though carpools and other modes, and 59% in single occupancy vehicles.

Table 3. Progress Towards Mode Split Objectives

Mode	2019 Household Survey	2024 Household Survey	2025 Household Survey	2030 Goal
Walking	11%	15%	15% ✓	12%
Bicycle	16%	11%	12% ✗	20%
Transit	2%	2%	3% ✗	7%
Single-Occupancy Vehicle	61%	62%	59% ✗	50%
Carpool and Other	10%	11%	12% ✓	11%

Walking and Biking

The City continues to implement the Active Transportation Plan, prioritizing projects that improve safety, connectivity, and comfort for people walking and biking (Connected 1.1.A). Since 2021, the City has completed approximately one-third of the Tier 1[5] active transportation network. When including projects that are currently in design or planning, more than 60% of the Tier 1 network is either complete or actively advancing. Recent investments include the North Chorro Neighborhood Greenway, shared-use paths on Madonna Road, pedestrian and bicycle improvements in the Cerro San Luis development, and upgraded crossings on high-profile corridors.

Together, these projects reduce barriers to short, non-car trips and improve access for all ages and abilities. As the City's active transportation network improves, programs like a public bikeshare program can attract new riders and audiences to bicycling in SLO. The City explored launching a bikeshare in 2024, but market changes and funding risks emerged during the procurement process that resulted in not selecting a vendor (Connected 1.2.A). To support accountability, walking and biking mode share is now tracked through the biennial Active Transportation Plan Report Card, strengthening the link between infrastructure investment and outcomes (Connected 2.1.A).

Transit

The City operates SLO Transit in City limits and the Cal Poly University campus. Challenges that emerged during the COVID-19 pandemic, alongside a nationwide bus operator shortage, made it difficult for SLO Transit to quickly restore pre-pandemic service levels. These headwinds are evident in measurements of transit service: the number of passenger-trips per vehicle-service-hour has decreased by 52% over the last ten years and by 33% over the last five years. Despite these challenges, SLO Transit has steadily recovered. As of 2026, approximately 95% of pre-pandemic service has been restored, and ridership has increased by double-digit percentages annually for the past four years. While ridership in FY 2024-25 remains below FY 2018-19 levels, it continues to trend upward as service improvements are implemented.

[5] The Tier 1 network includes the improvements identified with the greatest potential to increase bicycle and pedestrian mode share.

Improvements to SLO Transit's frequency, reliability, fare programs, and rider experience are being planned through the Transit Innovation Study and Short-Range Transit Plan, with several pandemic-delayed enhancements scheduled for implementation in 2026 (Connected 4.2.A). These improvements include improved fixed route services under a forthcoming new contract for transit operations and maintenance services, which will go into effect in July 2026.

As existing diesel buses are a local source of pollution, the City is transitioning to zero-emission transit vehicles with two electric buses in operation and eight additional buses are planned to enter service in 2026 (Connected 4.1.A). Once in operation, approximately half of the transit fleet will be electric, reducing tailpipe emissions while improving rider comfort. This transition to a zero-emission fleet is aligned with state law that requires transit agencies to fully transition to zero-emission technologies by 2040.

As the San Luis Obispo Regional Transit Authority (RTA) serves transit users travelling in and out of San Luis Obispo, the City is working with RTA to make transfers to local SLO Transit buses as seamless as possible, including by implementing a new Open-Loop or "Tap2Ride" payment system, which is scheduled to launch in Spring 2026. Staff continue to monitor opportunities for regional collaboration and are currently coordinating on tools such as the Mobility Wallet Pilot Program to expand access to transit and shared mobility for low-income residents throughout the region (Connected 2.2.A).

Electric Vehicle Infrastructure and Parking Policy

City-owned EV charging has expanded from two chargers in 2019 to 27 in 2026, with 49 additional chargers added in 2026 (Connected 3.1.A). Installations prioritize public facilities and locations that serve residents without home charging.

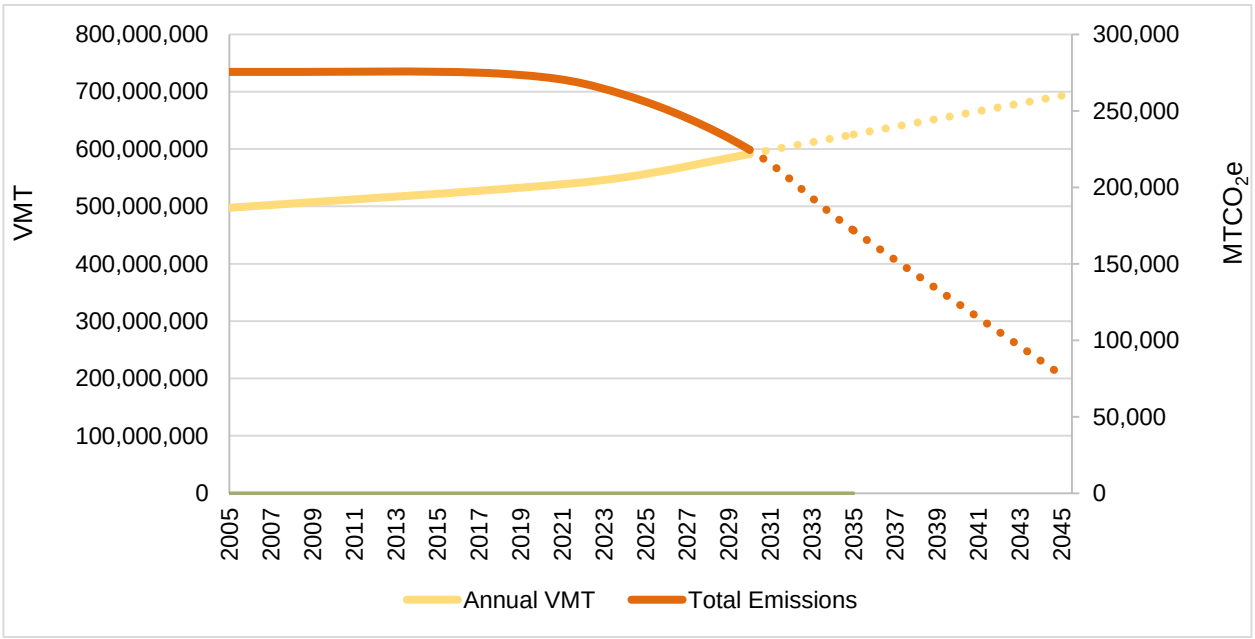
Land Use and Infill Development

Implementation of Housing Element programs, flexible downtown density policies, and missing-middle housing incentives continue to support compact development patterns. Infill housing development has progressed at a steady rate, providing additional housing units in existing City neighborhoods, leading to shorter trip lengths and improving the viability of walking, biking, and transit. Growth in Specific Plan areas has provided housing development in new areas of the City, with associated infrastructure improvements that promote multimodal transit and pedestrian connectivity (Connected 5.1.A, 5.1.B).

Sector Emissions Inventory and Forecast

Figure 5 shows activity data and historical emissions trends for the transportation sector from 2005 to 2024, alongside forecasts through 2045. While VMT remains high through 2045, emissions are expected to decrease over time as zero emissions vehicles become common and the average vehicle becomes more fuel efficient.

Figure 5. Connected Community Emissions Inventory and Forecast



Headwinds and Momentum

Transportation remains one of the most challenging sectors for achieving carbon neutrality. The following challenges have emerged in this sector:

- Given the City's role as job center, the City's job-housing imbalance, and the region's development pattern of geographically isolated communities, reducing vehicle trips across the county remains a challenge.
- Local and regional transit ridership levels remain below pre-pandemic levels. SLO Transit ridership in FY 2024-25 remains 33% below FY 2018-19 levels; however, ridership has increased by double-digit percentages each year for the last four years.
- The City's ability to offer community new sustainable ways of getting around, including bikeshare, carshare, and microtransit, is dependent on successful public-private-partnerships. Shifts in market conditions for bikeshare and carshare operators have thus far prevented launch of a zero-cost solution in the City of San Luis Obispo.

Opportunities include:

- EV adoption is growing rapidly. Residents purchased more than 11,000 electric vehicles in SLO County through 2025. EVs accounted for 24%, 22%, and 22% of all light-duty vehicle sales in the County in 2023, 2024, and 2025, respectively.
- SLO is encouraging compact development patterns. Land use decisions will remain a powerful long-term lever. Continued infill development near jobs, schools, and transit corridors is essential to reducing car dependence over time.

Reaching Carbon Neutrality

While the purpose of this report is to provide a progress report, staff also asked community members and stakeholders during the outreach component for ideas that might bend the emissions curve towards carbon neutrality. Innovative new ideas include stepping up regional leadership for sustainable mobility. Advancing sustainable regional transportation solutions requires regional coordination with SLOCOG, RTA, Cal Poly, and neighboring jurisdictions to complete strategic investments across central coast communities. Additionally, micromobility and microtransit could reduce vehicle trips while also enabling SLO Transit to make service changes that increase headways on main routes. Near-term opportunities may allow for a fresh look at shared bicycle and on-demand transit programs.

PILLAR 5: CIRCULAR ECONOMY

Pillar Overview

The Circular Economy pillar has delivered some of the City's most consistent and measurable emissions reductions, driven largely by state policy alignment and strong local implementation. This pillar is currently narrowly focused on the emissions that result from organic waste decomposing in the landfill and releasing methane, which is a potent greenhouse gas. The City benefits from a special composting facility, called an anaerobic digester. The City sends its organic waste to this facility, where it becomes organic compost and methane biogas that generates enough electricity to power around 600 homes. In 2024, emissions from organic waste generated an estimated 29,480 MTCO2e, about 8% of total communitywide emissions. This represents a 38% reduction from 2005 levels.

Goal

75% diversion of landfilled organic waste by 2025; 90% diversion by 2035

Progress

Emissions from organic waste have reduced 38% since 2005

Headwinds

- Large events, multi-family housing, mobile home parks, and large employers have high rates of contamination

Momentum

- Organics recycling is rolled out Citywide.
- By implementing SB 1383, the City is reducing landfilled organics
- Local partnerships recover significant amount of edible food

Since 2020, the City has pursued a mid-term goal of 75% diversion of landfilled organic waste by 2025, and with the ultimate goal of 90% diversion by 2035. This means that the overwhelming majority of residential food scraps and yard waste, as well as organic waste from large generators like local restaurants, groceries, commercial kitchens, large events, and multifamily properties need to be properly sorted and sent to the digester.

CAP Implementation Progress

SB 1383 Compliance and Enforcement

In 2022, the City adopted an ordinance requiring organic waste subscription for all residential and commercial customers. Since implementing organic waste collections citywide, the City, in coordination with the SLO County Integrated Waste Management Authority (IWMA), has carried out inspection, monitoring, and targeted education programs to meet the requirements of SB 1383 (Circular Economy 1.1.A). Outreach has focused on commercial generators, multifamily properties, and food-generating businesses, with an emphasis on technical assistance and corrective action rather than penalties. As of 2024, compliance issues have been resolved through education, automatic service enrollment, and follow-up monitoring, keeping the City in good standing with CalRecycle's requirements.

Organic Waste Diversion and Processing

Organic waste diversion continues to be supported by education and regional infrastructure, notably the Kompogas anaerobic digestion facility, which converts organic waste into renewable energy and compost (Circular Economy 1.1.B). The City exceeded its SB 1383 organic

procurement target by ~43% in 2024 through a combination of compost application, renewable natural gas use, and mulch projects. These actions reduce methane emissions while supporting soil health and local reuse markets.

Edible Food Recovery

The City has benefits from collaborations between the IWMA and local food recovery organizations that are expanding edible food recovery to reduce waste and alleviate hunger (Circular Economy 1.2.A). The SLO Food Bank is the local party responsible for edible food recovery coordination and reporting. The SLO Food Bank manages two food rescue programs: the Glean Program that rescuers a fresh produce in partnership with local farms and community residents, and the Grocery Rescue Program that rescues edible food directly from markets and connects charitable agencies with near-date food from grocery chains and local markets. Due to the efforts of the SLO Food Bank and IWMA, there is greater awareness of these programs among food generators and stronger redistribution networks serving food-insecure residents.

Photo courtesy of the SLO Food Bank

Education, Outreach, and Contamination Reduction

The IWMA provides free kitchen pails and commercial internal organics collection containers to support residents and businesses in properly separating organic waste. The City and IWMA have conducted additional outreach to businesses, homeowner's associations, and property managers, particularly in multifamily and mobile home communities where contamination rates tend to be high (Circular Economy 1.1.C, 1.3.A). Updated signage, site visits, and direct outreach have improved sorting behavior over time. Despite this, contamination remains higher than other customer segments. In rental units, ongoing education is especially needed given high turnover.

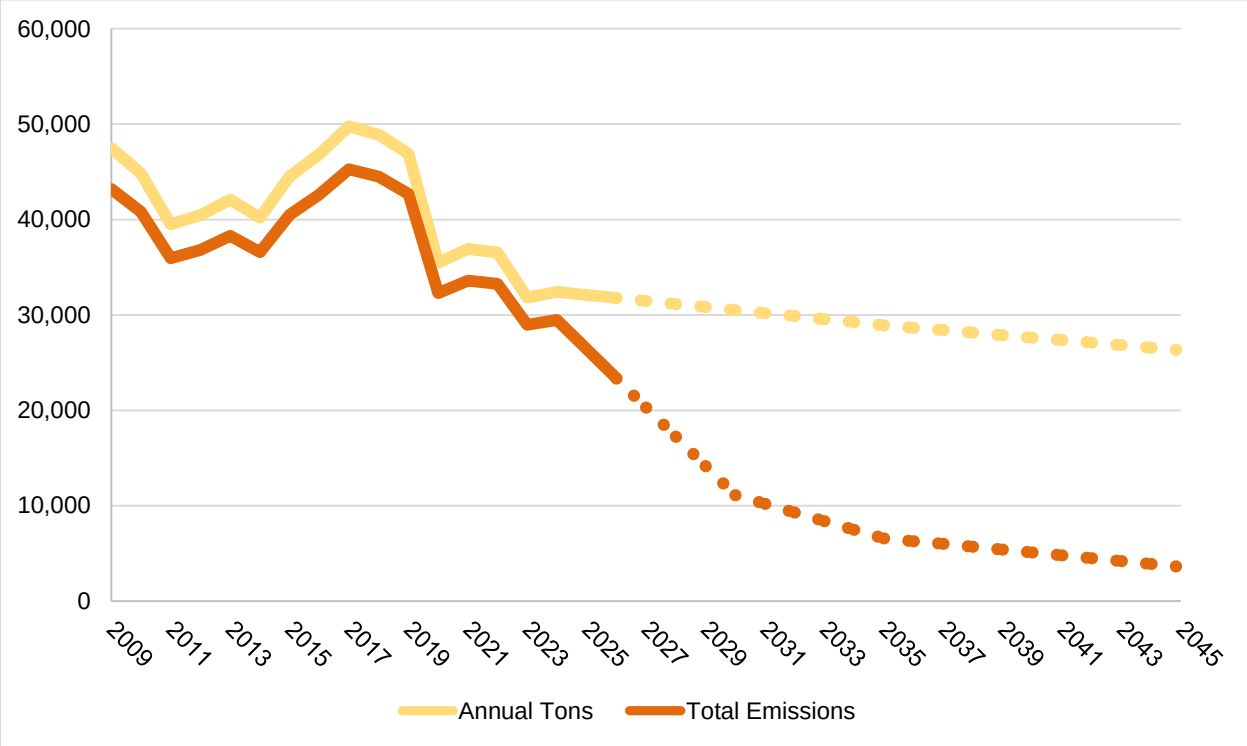
Waste Prevention and Reuse

While most progress to date has focused on diversion, the City has continued to explore opportunities for upstream waste reduction, including reuse initiatives, deconstruction practices, and education around consumption and material use (Circular Economy 2.1.A). These efforts remain smaller in scale but are increasingly important.

Sector Emissions Inventory and Forecast

Figure 6 shows activity data and historical emissions trends for the waste sector from 2005 to 2024, alongside forecasts through 2045. As organic waste is forecasted to comprise a decreasing share of total landfilled waste through 2045, emissions from the waste sector are expected to decrease substantially over time.

Figure 6. Solid Waste Emissions Inventory and Forecast



Headwinds and Momentum

There are many challenges in reducing landfilled organic waste and more broadly achieving a circular economy. These include:

- Behavior change takes time, and proper usage of the green organics bin still needs work. The City and IWMA will continue to update signage, conduct site visits, and have direct engagement to improve sorting behavior over time.
- Multi-family housing, mobile home parks, and large employers struggle to sort organics and have high rates of contamination. Shared waste services that serve these customers still need updated infrastructure and consistent waste-stream education. Ongoing

outreach will remain essential as the community grows and turns over, particularly in multifamily housing and the commercial sector.
- Large events generate significant amounts of unsorted waste. Events are high-volume waste generators and continue to have elevated contamination rates despite City requirements and improved outreach and education.

Despite these challenges, the City continues to adapt and find opportunities to improve the sector. For example:

- The City has made significant progress rolling out organics recycling Citywide and all businesses and residents in San Luis Obispo are equipped with green carts. By implementing SB 1383, the City is making strides reducing landfilled organics.
- The City is ahead of schedule on achieving the compost procurement targets set by SB 1383.
- The SLO Food Bank, in partnership with IWMA and local food generators, has significantly expanded edible food recovery capacity and participation.

Reaching Carbon Neutrality

Regional coordination and state policy evolution will continue to shape the City's ability to deepen emissions reductions in this sector. While the purpose of this report is to provide a progress report, staff also asked community members and stakeholders during the outreach component for ideas that might bend the emissions curve towards carbon neutrality. Innovative new ideas include partnering with IWMA and local businesses on a "bring your own reusables" campaign, tracking reductions in single-use food ware, and expanding refill station education to improve participation in reuse and recycling systems – all of which are aligned with recently adopted state law SB54 that is focused on Reuse and Refill.

More broadly, achieving the 2035 carbon neutrality goal will increasingly depend on waste prevention, not just proper sorting. This may require greater emphasis on reuse, repair, and reduction strategies and support for circular business models.

PILLAR 6: NATURAL SOLUTIONS

Pillar Overview

Natural Solutions actions involve protecting open spaces, restoring creeks, supporting healthy soils, and a growing urban forest that can store carbon while providing shade, habitat, flood protection, and recreational benefits. These actions can sequester carbon while also advancing biodiversity, wildfire resilience, water quality, and community well-being. As the City's future projections anticipate significant GHG emissions into the future, natural climate solutions are one way to get to carbon neutrality faster. In 2024, carbon sequestration activities in open spaces, parks, and the urban forest sequestered an estimated 390 $MTCO_2e$, which is less than one percent of total communitywide emissions.

Since 2020, the City has learned a lot about the practical feasibility of carbon sequestration through compost application-based carbon farming activities and tree planting. These learnings have shifted the City's goals somewhat to focus more on regenerative grazing and riparian restoration.

Goal

Increase Carbon Sequestration on the San Luis Obispo Greenbelt and Urban Forest through compost application-based carbon farming activities and tree planting; ongoing through 2035

Progress

The City's increased implementation of climate-smart land management practices has increased annual carbon sequestration by an estimated 390 $MTCO_2e$.

Headwinds

- Climate change threatens existing carbon stored in living landscapes
- Quantitative verification of natural climate solutions is still an emerging practice

Momentum

- Continued investment in the City's Greenbelt Protection Program enables growth of open space network
- Strong partnerships are the foundation of success for planting trees, restoring creeks, reviving cultural burns, and other natural solutions successes
- The City continues learning through each pilot project, refining staff's approach for future land management decisions

CAP Implementation Progress

Land Conservation

The City continues to protect and expand open space properties as part of the San Luis Obispo Greenbelt Protection Program. Since 2020, the City has inaugurated Righetti Hill Open Space, completed the on-site conservation easement at San Luis Ranch that permanently protects prime farmland, and completed permanent open space easements that protect both wetland habitat areas and the "upper terrace" at Froom Ranch where numerous rare and sensitive status species occur, including the state and federally endangered Chorro Creek bog thistle (Natural Solutions 1.1.A).

Regenerative Land Management

The City manages open space lands to preserve and expand existing carbon stocks while improving ecosystem health. The City has applied compost to rangelands, expanded regenerative grazing, installed beaver dam analogs, and planted trees and riparian shrubs to improve soil health, reduce wildfire risk, and support carbon sequestration. These stewardship activities are often implemented through grant-funded projects and partnerships (Natural Solutions 1.1.B). In partnership with the yak tityu tityu yak tiłhini Northern Chumash Tribe, the City has supported

cultural burning and native grassland restoration, integrating traditional ecological knowledge into land management while advancing climate and resilience goals.

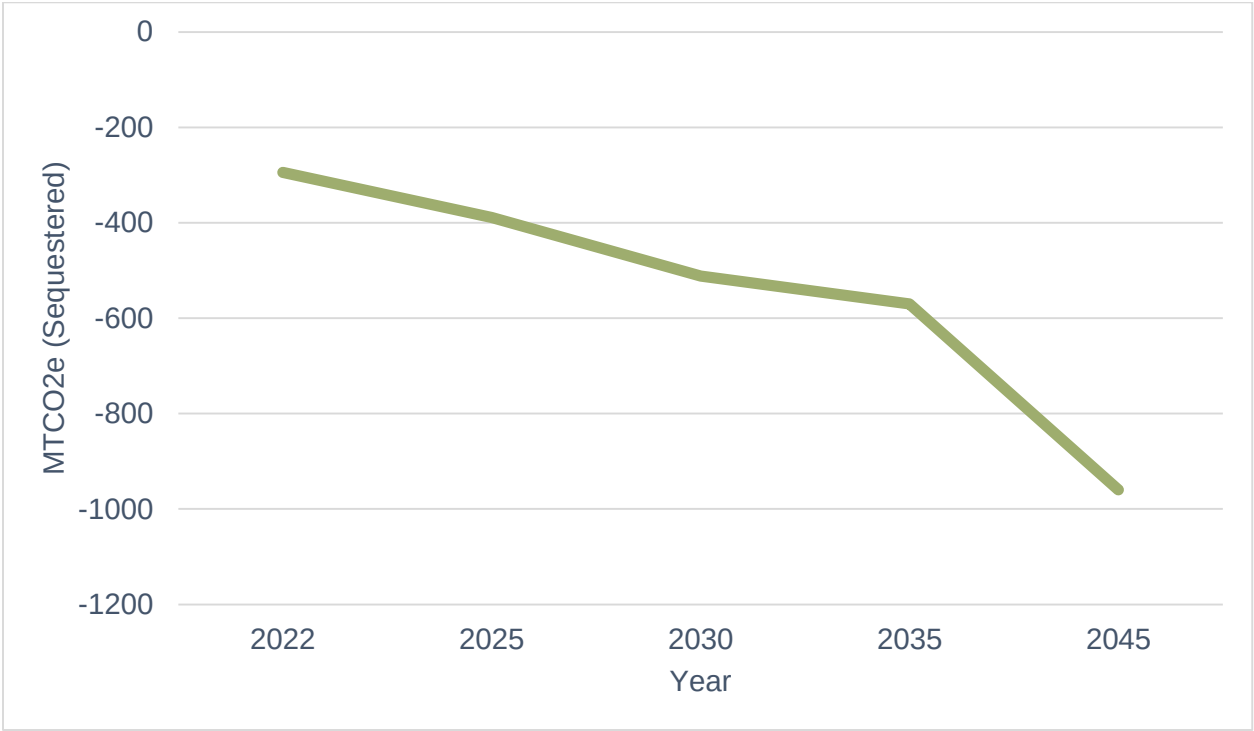
Urban Forestry and Tree Canopy Expansion

Urban forestry remains a highly visible component of Natural Solutions. Through Keys for Trees, volunteer events, grant-funded projects, and private plantings, over 6,000 trees have been planted on both private properties and public land toward its goal of 10,000 trees by 2035 (Natural Solutions 2.1.A). The City also continues to maintain a healthy urban forest so that existing carbon stocks stored in trees' living tissues are resilient to present and future climate hazards. Tree planting efforts prioritize shade equity, climate resilience, and long-term survivability, with increasing attention to species selection and maintenance.

Sector Emissions Inventory and Forecast

Figure 7 shows historical carbon sequestration trends for the natural solutions sector from 2022 to 2024, alongside forecasts for carbon sequestration through 2045. As carbon sequestration practices are expected to scale across open space lands and private property through 2045, annual sequestration will increase over time.

Figure 7. Natural Solutions Sequestration Inventory and Forecast



Headwinds and Momentum

Challenges:

- Wildfires and climactic changes are increasingly threatening local ecosystems. The carbon stocks stored in City open spaces are vulnerable to climate-related disasters like wildfires, droughts, and floods, even with investments to strengthen resilience.
- The science and quantification methods that underly natural solutions are still developing. Accurate models (and field measurements) of how various land management practices are impacting carbon stores in the landscape are limited and are an evolving practice.

Current areas of momentum in the Natural Solutions sector include:

- The City continues to make progress on protecting land within the City's Greenbelt through direct purchases and conservation easements.
- The City has developed strong partnerships with nonprofits, volunteers, and regional agencies, as well as external grant funding to expand and maintain a resilient network of Open Space properties and Urban Forestry network. Project implementation relies heavily on these partnerships and external grant funding to expand capacity, reduce costs, and align local efforts with regional conservation and climate priorities.
- The City is invested in learning and adaptive management, and by completing a carbon farming study and piloting carbon sequestration practices, such as "beaver dam analogs" in Dry Creek, good fire application, compost application, tree plantings, and regenerative grazing the City has amassed practical knowledge to guide future efforts.

Reaching Carbon Neutrality

Natural solutions provide important co-benefits but it's likely that priorities will increasingly shift toward protecting existing carbon stocks, improving long-term maintenance and survivorship, and integrating natural solutions with wildfire risk reduction and water resilience strategies. Continued access to state and federal funding will be essential to sustaining stewardship activities, particularly as climate stressors such as drought and extreme heat intensify. While the purpose of this report is to provide a progress report, staff also asked community members and stakeholders during the outreach component for ideas that might bend the emissions curve towards carbon neutrality. Innovative new ideas included expanding natural solutions projects on private lands and connecting greenbelt projects with funding via a prospective regional mitigation bank.

ADMINISTRATIVE ACTIONS:

Pillar Overview

Administrative actions establish the governance, coordination, and accountability needed to implement the Climate Action Plan across all pillars.

CAP Implementation Progress

Climate Governance and Coordination

The City has embedded climate action into core administrative functions through interdepartmental coordination and leadership oversight, with the Office of Sustainability providing centralized tracking and technical support (Admin 1.1.A). This structure ensures climate considerations are integrated into capital planning, land use decisions, transportation investments, and municipal operations.

Tracking, Reporting, and Accountability

Ongoing monitoring and reporting remain central to implementation. The City maintains greenhouse gas inventories, implementation tracking tools, and public-facing progress reports, enabling transparency, accountability, and course correction over time (Admin 1.2.A).

Funding and Grant Leveraging

The City has successfully leveraged state and federal grants to advance CAP implementation across multiple pillars, including transit electrification, EV infrastructure, building retrofits, urban forestry, and land stewardship (Admin 2.1.A). External funding has expanded capacity while minimizing impacts to local resources.

Community Engagement and Policy Alignment

Administrative actions emphasize equitable community engagement through partnerships with community-based organizations and alignment with City policy frameworks such as the General Plan, Housing Element, and Capital Improvement Program (Admin 3.1.A, Admin 4.1.A). These efforts support consistent, coordinated, and adaptive climate action implementation.

APPENDIX A. CLIMATE ACTION PLAN IMPLEMENTATION MATRIX

The table below provides an overview of actions committed to in the 2023-27 Climate Action Plan Work Program (2023-27 CAP). The table provides implementation details for each action including the original 2020 CAP action description language, the 2023-27 CAP updated task description, the City department responsible for leading initiation and implementation, the status of the action, and a report on general progress. The "Current Status" column indicates the implementation progress of each specific task identified in the 2023-27 CAP. It does not reflect the level of emissions reductions achieved. Instead, it shows the City's progress in advancing the associated program, project, or work effort. The status categories are defined as follows:

- On Track – action has been initiated as anticipated in the schedule defined by the 2023-27 CAP. In some cases, action implementation is complete, and in others the action is ongoing.
- Behind – action is not being implemented at the speed anticipated in the 2023-27 CAP, but is still a strategic priority for the City.
- On Hold – action has encountered uncertainties or barriers resulting in the need for a new or altered strategic approach.

Foundational Action	Action Description	2023-25 Task	2025-27 Task	Responsible Department	Start Date	Progress Tracker	Status	July 2023 – March 2026 Action Progress
Leadership 1.1	Adopt a municipal carbon neutrality plan in 2021.	Leadership 1.1.A: Implement the 2023-25 actions in the *Lead by Example* municipal carbon neutrality plan and complete a focused plan update for 2025-30.	Leadership 1.1.A: Implement 2025-27 actions in the *Lead by Example* municipal carbon neutrality plan.	Administration, Public Works	Summer 2023	*Lead by Example* progress report and plan update which projects an 84% reduction in covered municipal emissions by 2030.	On track	In 2021, the City adopted *Lead by Example: A Plan for Carbon Neutral City Operations*, which identified the projects, policies, and programs required to reduce municipal emissions to carbon neutral by 2030. The City adopted a work program update in 2025; at which point staff estimated that at full implementation of the actions included in the *Lead by Example 2025-29 Work Program*, the City would achieve an 84% reduction in covered greenhouse gas emissions by 2030 relative to 2022. The City has embedded *Lead by Example* throughout its plans and operations, including via projects prioritized in the Capital Improvement Program. Notable Capital Improvement Projects in the City's current Capital Improvement Program include: • Level 2 and level 3 charging depot at the City's Corporation Yard • Ongoing purchase of electric fleet vehicles • Design work in support of electrification retrofits at the SLO Swim Center and City Hall • Electrification retrofit work at the Ludwick Community Center These capital projects are accompanied by a range of programs and policies that support low emission employee commutes, substantial reductions in the amount of organic waste sent to the landfill, and zero-emissions new municipal buildings and facilities.
		Leadership 1.1.B: Brand *Lead by Example* projects with the Sustainable SLO emblem and develop a complementary educational and awareness campaign.	Leadership 1.1.B: Continue telling the City's *Lead by Example* story with the Sustainable SLO emblem and "best practice" outreach efforts.	Administration	Summer 2023	Qualitative tracking in CAP progress report	On track	Sustainable SLO is a city-wide campaign aimed at fostering a relationship between community members and the actions the City is taking to reach carbon neutrality. The Sustainable SLO mark has been added to nearly all of the electric and hybrid fleet vehicles, trash and recycling bins, and electric buses to increase public awareness of the City's investments in a sustainable future. In coordination with physical branding, staff utilize multiple platforms, such as the City's social media accounts, email newsletters, and in-person events to inform the public about climate action related news or resources. Going forward, the City will continue to brand new assets with the Sustainable SLO mark, as directed by the City's amended brand guidelines. The City will also regularly communicate with the public about environmental and climate issues using the Sustainable SLO brand.
Leadership 2.1	Include carbon neutrality, social equity, and a focus on developing a green local economy in the updated Economic Development Strategic Plan.	Leadership 2.1.A: Support implementation of the green economy and social equity portions of the Economic Development Strategic Plan.	Leadership 2.1.A: Continue to support implementation of the green economy and social equity portions of the Economic Development Strategic Plan.	Administration	Ongoing	Qualitative tracking in CAP progress report	On track	The 2023 Economic Development Strategic Plan established City goals and actions at the intersection of economic development and climate action. Staff from the Office of Sustainability and Natural Resources and the Office of Economic Development coordinate regularly to implement this work. A key action is ongoing support for the San Luis Obispo County Green Business Network, hosted by ECOSLO. City staff helped launch the program locally and continue to support it by referring businesses through the City's Business Welcome Program. In 2026 there are 36 certified green businesses in San Luis Obispo County with 151 businesses in the certification process. In 2026, three City facilities (City Hall, 919 Palm Street, and 879 Morro Street) were certified as green businesses by ECOSLO.

Foundational Action	Action Description	2023-25 Task	2025-27 Task	Responsible Department	Start Date	Progress Tracker	Status	July 2023 – March 2026 Action Progress
Leadership 2.2	Research methods to support local contractors and labor.	Leadership 2.2.A: Support regional efforts to develop the workforce required to implement the Climate Action Plan.	Leadership 2.2.A: Continue to support regional efforts to develop the workforce required to implement the Climate Action Plan.	Administration	Ongoing	Qualitative tracking in CAP progress report	On hold	Staff have had a limited role in developing a regional green workforce. Since adoption of the 2023-27 CAP Work Program, staff have concluded that, as a small municipality, the City lacks the capacity to meaningfully influence regional workforce efforts. The original premise, that meeting climate goals and capturing related economic benefits required local green workforce training, has not held in practice. Contractor capacity to install clean energy equipment has not been a primary barrier to adoption. Regional workforce efforts continue through other entities. The Tri-Counties Pre-Apprenticeship Building and Construction Trades Training Program includes green construction in its Multi-Craft Core Curriculum and is supported by the Workforce Development Board. The City also maintains annual agreements with REACH, the region's economic development organization, to support workforce initiatives focused on cleantech, energy, building design, and construction. City leadership and staff participate in the REACH Council and related working groups.
Leadership 3.1	Create a formal approach to support and empower community collaboration for climate action.	Leadership 3.1.A: Continue to support and empower community collaboration for climate action.	Leadership 3.1.A: Continue to support and empower community collaboration for climate action.	Administration	Ongoing	Qualitative tracking in CAP progress report	On track	The City has invested in a wide range of organizations for the purpose of supporting local community-based organizations and their capacity to support climate actions. Key organizational relationships include: • Climate Coalition of San Luis Obispo: the City has a formal Memorandum of Understanding with the Climate Coalition and provides funding to assist with hosting community events including Earth Fest and National Drive Electric Week. • Community Action Partnership of San Luis Obispo: The City has identified, applied for, and received grant funds in the total amount of over $350,000 that have been allocated directly to CAPSLO's low-income energy efficiency programs. • Diversity Coalition of San Luis Obispo County: The City has worked to identify, apply for, and receive grant funds in the total amount of nearly $200,000 that have been passed through directly to DCSLO to provide community outreach and energy bill technical assistance. • Environmental Center of San Luis Obispo: the City provides funding via Keys for Trees and external grants to support volunteer tree plantings and creek clean ups. • Creek Lands Conservation: the City partnered with Creek Lands on the SLO Creek Resiliency and Rewilding Plan and is actively seeking grant funding to implement restoration projects that increase our watershed's resilience to climate change. • City Farm SLO: the City leases prime agricultural property to City Farm, a nonprofit that provides educational services to the community about sustainable agriculture while addressing food insecurity by growing food for the food bank. • yak titʸu titʸu yak tiłhini Northern Chumash Tribe of San Luis Obispo County and Region: the City has partnered with ytt to return traditional ecological knowledge and practices on City Open Space properties, including cultural fire. The City and ytt have successfully partnered on a grant to restore perennial grasses at Johnson Ranch Open Space. • Rotary de Tolosa: the City partners with the Rotary de Tolosa to plant trees on City properties and maintain them over time.
Clean Energy 1.1	Launch Monterey Bay Community Power and achieve a 98% participation rate while advocating for programs that support equity and achieve maximum local benefit.	Energy 1.1.A: Continue to support Central Coast Community Energy's 100% renewable by 2030 goal and continue to advocate for equitable decarbonization programs.	Energy 1.1.A: Continue to support Central Coast Community Energy's 100% renewable by 2030 goal and continue to advocate for equitable decarbonization programs.	Community Development	Ongoing	CCCE participation rate – 96% of electrical load and accounts.	On track	Central Coast Community Energy (3CE) adopted an ambitious procurement target in 2021 to achieve 100% renewable and carbon free energy through direct investment in projects by 2030. To do so, the agency sold many of its "carbon free attributes" which had previously allowed it to report very low emissions, similar to how other utilities, including PG&E, are able to report very-low emissions. As a result, 3CE's electricity emissions intensity increased substantially in 2021 through 2023 as the new projects were bid, constructed, and brought on to the grid. With major projects now operating, the emissions intensity fell in 2024 and 2025, putting the agency back on the trajectory towards carbon neutrality. Participation remains high, with 96.87% of total electrical load and 96.2% of electrical accounts in the City participating in 3CE and $4.1 million in direct incentives and rebates coming back to the community and City for investments in electric vehicles, charging infrastructure, and building electrification in alignment with the City's and community's carbon neutrality goals. The City supports and influences 3CE through representation on 3CE's boards. The City and Morro Bay share a Policy Board seat and an Operations Board seat. 2025 was the first year that the City did not serve on either of the Boards, with Morro Bay representing both cities in 2025 and 2026. The City will resume its role on the boards in 2027.
Clean Energy 2.1	Work with MBCP and PG&E to develop a regional grid reliability strategy.	Energy 2.1.A: Continue to monitor and support CCCE and PG&E's grid reliability work.	Energy 2.1.A: Continue to monitor and support CCCE and PG&E's grid reliability work.	Administration	Ongoing	Qualitative tracking in CAP progress report	On track	In the early 2020s, with the advent of Public Safety Power Shutoffs, the concerns around overall grid reliability were very high. Since adoption of the CAP update in 2023, according to PG&E's reports, the City has not experienced a Public Safety Power Shutoff. Localized distribution grid outages occur occasionally as the result of inclement weather or accidents; however, these remain minor and relatively undisruptive. Two other electricity service concerns have emerged since 2020: 1. New housing, electric vehicle charging, and renewable energy projects are experiencing significant delays in grid interconnection, impacting project viability and investment. 2. The substantial increases in PG&E electricity rates since 2018 that have occurred primarily as the result of increased preventative and deferred distribution grid maintenance costs and wildfire mitigation and response costs being embedded into electricity rates. As California's plan to reduce greenhouse gas emissions depends on plugging in buildings, cars, and transportation systems into a clean electricity grid, it is important for these assets to be connected to the grid in a predictable and timely manner, and for electricity prices to maintain parity with natural gas.

Foundational Action	Action Description	2023-25 Task	2025-27 Task	Responsible Department	Start Date	Progress Tracker	Status	July 2023 – March 2026 Action Progress
Clean Energy 3.1	Partner with SoCal Gas to research options for reducing greenhouse gas emissions associated with the existing natural gas grid.	Energy 3.1.A: Continue to explore opportunities to partner with SoCal Gas on innovative decarbonization pilot projects that are aligned with the Climate Action Plan.	Energy 3.1.A: Continue to explore opportunities to partner with SoCal Gas on innovative decarbonization pilot projects that are aligned with the Climate Action Plan.	Administration	Ongoing	Qualitative tracking in CAP progress report	On track	SoCal Gas provides gas distribution and transmission grid maintenance as standard practice and have access to infrastructure in the public right of way via their franchise agreement with the City. In 2020 and 2021, staff worked with SoCal Gas's project development team to identify potential "biogas to grid" projects in the region. SoCal Gas's team were not able to identify any projects. Due to staff turnover at SoCal Gas, there has been less direct contact than in previous years. The utility has held webinars about energy efficiency programs, and the City intends to participate where beneficial so long as the programs don't unnecessarily prolong or reinvest in fossil fuel infrastructure.
Green Buildings 1.1	Adopt and implement the Clean Energy Choice Program for New Buildings and review opportunities for improvement in the 2022 code cycle.	Green Buildings 1.1.A: Support Clean Energy Program for New Buildings with ongoing access to technical assistance.	Green Buildings 1.1.A: Monitor Clean Energy Program for New Buildings Implementation and consider local amendments to the California Energy Code concurrent with the 2025 triennial code cycle if necessary.	Administration, Community Development	Ongoing	Number of all-electric new buildings; number of customers assisted: All-electric buildings accounted for 79% of new building permits	On track	Since 2020, the City has adopted numerous local amendments to the California Energy Code, including: (1) electric preferred new-building requirements (2020), (2) mandatory all-electric new building requirements (2022) *(note: the 2022 requirements were nullified following a change in federal law interpretation)*, and (3) energy efficient new building requirements (2023). In the 2022 code Cycle, the City enforced local amendments as follows: • Ordinance 1730 (2023 Series) required additional energy efficiency measures for residential and non-residential new construction and encourages the installation of high-efficiency electric appliances. • Ordinance 1736 (2024 Series) required major additions and alterations to existing single-family residential buildings to install certain energy efficiency measures in the existing building. Ordinance 1730 and 1736 provided local amendments to the 2022 California Building Standards Code and as such were no longer enforceable once that code sunset on December 31, 2025. For the subsequent 2025 building code cycle, which will hold for six years due to state legislation, the City adopted Ordinance 1752 (2025 Series) to update and extend the energy efficient major additions and alterations policy (Ordinance 1736). Council provided direction to staff to return with additional potential local amendments to the California Energy Code in 2026. Together with updates to the California Building Standards Code that aim to reduce emissions, these local amendments have significantly contributed to the City's climate action progress. Between 2021 and June of 2025, of the over 700 building permits issued by the City (including single-family, multi-family, and non-residential buildings) that collected energy utility data, 79% were all-electric.
Green Buildings 2.1	Conduct comprehensive retrofit program study and develop and implement a strategic and equity-focused building retrofit program by 2021.	Green Buildings 2.1.A: Expand high visibility pilot projects.	Green Buildings 2.1.A: Assess the value of continued pilot projects and either continue pilot projects or consider transitioning resources to an equity fund that supports low-income and/or hard to reach (e.g., rentals) residential retrofits.	Administration	Summer 2023	Number of buildings retrofitted: 0	On track	The City worked with HASLO and no-cost technical experts to design zero-emission water heating and HVAC retrofit projects at two local properties. Staff leveraged grant funding, public programs, and City time to develop permit-ready plan sets. HASLO ultimately determined that site conditions made the projects too complex and chose not to proceed. Remaining grant funds were reallocated to CAPSLO to support low-income weatherization and water heater upgrades in mobile and manufactured homes through the Buildings Up project described below.

Foundational Action	Action Description	2023-25 Task	2025-27 Task	Responsible Department	Start Date	Progress Tracker	Status	July 2023 – March 2026 Action Progress
		Green Buildings 2.1.B: Create an equity focused "Green and Healthy Buildings" service to educate the community and connect low-income building owners with resources, incentives, financing, and contractors.	Green Buildings 2.1.B: Review service effectiveness and expand to include additional project types and income levels, if feasible.	Administration, Community Development	Fall 2023	Number of customers served: 4 mobile homes; with funding secured for 25 additional installations in 2026	On track	Staff, in partnership with Diversity Coalition of San Luis Obispo County and Community Action Partnership of San Luis Obispo, was awarded two rounds of the Department of Energy's Building Upgrade Prize to research the feasibility of electrification in mobile and manufactured homes and to design a concierge service that helps low-income residents electrify their homes and access rebates and incentives. The project focused on manufactured housing because it is a source of naturally occurring owner-occupied affordable housing in San Luis Obispo. After extensive stakeholder outreach, the team began a 12-month Technology Demonstration to research the cost-effectiveness and feasibility of green and healthy building upgrades in manufactured housing and to pilot potential features of a future concierge service with residents living in Chumash Village, a manufactured housing community in San Luis Obispo. Through the pilot, a total of four residents received an energy audit, weatherization upgrades, and some combination of a new electrical panel, heat pump water heater, and/or heat pump HVAC system from CAPSLO. Over the next 12 months, the team monitored their energy use and bill impacts of switching from natural gas to electric. The team also provided supportive services including a monthly bill protection program, on-call energy coaching and troubleshooting for their new appliances, and quarterly home comfort check-ins to better understand the participants' needs, concerns, and experience with their home upgrades. In parallel, staff met with representatives from Central Coast Community Energy, Tri-County Regional Energy Network, and the California Energy Commission to advocate for incentives that support home energy upgrades in manufactured housing. In October of 2024, the City was also selected to participate in the National League of Cities' Healthy Housing Innovation Cohort. Staff from the Office of Sustainability and the Community Development Department partnered to deliver another round of stakeholder outreach, this time to professionals in the fields of affordable housing and public health. This outreach resulted in the design and delivery of a Green and Healthy Homes Resource fair. City staff planned and hosted the fair alongside stakeholders in Silver City Mobile Home Lodge, and the event successfully connected residents with local health, safety, and climate resources. In November 2025, staff, in partnership with Diversity Coalition, CAPSLO, and SLO Climate Coalition, were selected for a TECH QuickStart Scaling Fund grant. The grant will fund the expansion of the pilot program initially offered to Chumash Village to a broader subset of manufactured housing communities. Diversity Coalition and SLO Climate Coalition will conduct outreach to additional manufactured housing communities to share resources and solicit additional program participants. CAPSLO will complete up to 25 additional heat pump upgrades in local manufactured homes, and Diversity Coalition will train SLO Climate Coalition staff to expand their Home Energy Advising Service to include manufactured housing and integrate the services tested in the technology demonstration, such as energy coaching and home comfort check-ins.
		Green Buildings 2.1.C: Establish "Green and Healthy Buildings" permit streamlining program.	Green Buildings 2.1.C: Continue working to minimize regulatory barriers to electrification retrofit projects.	Administration, Community Development	Winter 2024	# of permits processed through program: *The number of permits streamlined is extensive due to the City's approach, making this action infeasible to track numerically with existing systems*	On track	Staff reviewed a number of opportunities to streamline permitting of green and healthy building improvements, and implemented the following enhancements to the process: • The City provides a discount for permits associated with green and healthy buildings, including solar, windows, and heat pump water heater and HVAC systems. • The City connects project applicants with rebate programs at time of permit submittal. • The City's Climate Action Plan allows for new development projects that require CEQA review to illustrate consistency with the CAP and forgo environmental review for greenhouse gas emissions impacts. • The City processes solar building permits through Solar App+, which provides on demand, next-day permits. • The City received the "Gold" designation via the SolSmart program, which awards the distinction based on achieving national best practices for solar permitting. • The City provides access to 3C-REN's "Code Coach" program, which provides no-cost technical assistance to community members that are working to comply with the California Energy Code. Additionally, staff will continue to monitor emerging best practices, including on-demand permitting for heat-pump hot water heaters, and pursue additional improvements to the permitting process as capacity allows.
		Green Buildings 2.1.D: Facilitate access to low interest financing for retrofit projects.	Green Buildings 2.1.D: Review financing support approach and modify as necessary.	Administration	Summer 2023	Qualitative tracking in CAP progress report	Behind	Staff have reviewed a wide range of financing models, but none have yet proved viable for a city the size of San Luis Obispo to administer and operate. Statewide and regional programs do exist, however, including GoGreen Financing, a state financing program that connects building owners to lower interest finance through regional credit unions for certain clean energy and energy efficiency projects. Community Choice Aggregators in other regions of California including Peninsula Clean Energy and San Jose Clean Energy have also launched zero interest, on-bill loans to help qualified community members access water heating, HVAC upgrades, and energy efficiency improvements. City staff has advocated to Central Coast Community Energy to develop a regional program of this nature, but to date, the agency has declined.

Foundational Action	Action Description	2023-25 Task	2025-27 Task	Responsible Department	Start Date	Progress Tracker	Status	July 2023 – March 2026 Action Progress
		Green Buildings 2.1.E: Develop an equitable framework for requiring electrification retrofits and develop cost effective building electrification policies for additions and alterations.	Green Buildings 2.1.E: Use the foundational research and community outreach conducted in 2023-25 to identify whether additional disclosure or retrofit requirements are needed, and if so, develop and adopt these requirements.	Administration	Summer 2023	Number of buildings retrofitted: *As of 2026, the Additions and Alterations Reach Code has been applied to a small number of building permits. An exact number was not available at the time of this report's publishing.*	Behind	On July 15, 2025, staff conducted a study session with City Council about recent progress supporting efficiency and electrification retrofits in existing buildings, and the policy options available for future consideration. At the study session (Council Agenda Report linked here), staff shared that while the emissions from energy use in buildings in San Luis Obispo is decreasing, the reductions are not occurring at the rate required to achieve Council's time bound goals. Staff also shared updates and received strategic direction on the following: • Additions and Alterations Reach Code: Staff presented the existing single-family building additions and alterations progress to date and sought strategic direction on next steps. Council directed staff to update the reach code, which they subsequently adopted via Ordinance 1752 (2025 Series) in November of 2025. • Time-of-Sale Energy Disclosure: Staff received strategic direction from Council to coordinate and launch a voluntary pilot program in San Luis Obispo called the "Home Energy Score". The program, provided by the statewide implementer of the Home Energy Score, is expected to launch in Spring of 2026, with no-cost training to local home inspectors and real estate professionals, as well as subsidies for homeowners or home sellers that would like to provide a score for their home. • Building Performance Standard: Staff have conducted extensive research on the feasibility of establishing a building performance standard in San Luis Obispo. The process of establishing a building performance standard begins with requiring energy disclosure from applicable buildings, before ultimately setting targets for efficiency improvements in those buildings over time. While enforcing a building performance standard would be staff intensive and likely require external funding, staff have identified a viable path to adopting and enforcing an energy benchmarking (e.g., disclosure) program for large buildings. Staff have already identified approximately 100 buildings that exceed 50,000 square feet and approximately 150 buildings between 25,000 and 50,000 square feet. Staff verified current building use type for each and organized them into a database to allow for sorting and identifying buildings that could qualify. A preliminary process for receiving disclosed building energy use data has been created and staff will begin engaging with local building owners and businesses willing to champion voluntary energy use disclosure to further inform program design.
Connected 1.1	Establish a consistent method for tracking and reporting mode split metrics.	Connected 1.1.A: Conduct the Household Transportation Survey every other year to track and report on mode split metrics.	Connected 1.1.A: Continue to conduct the Household Transportation Survey every other year to track and report on mode split metrics.	Public Works	Ongoing	Qualitative tracking in CAP progress report; Up-to-date mode split metrics and additional data can be found in the Active Transportation Plan biennial status report	On track	Mode share metrics are reported in the City's Biennial Active Transportation Plan (ATP) Report Card. The 2025 ATP Report Card reports mode share from the 2025 Household Transportation Survey with the following results: • Walking - 15% • Bicycle - 12% • Transit - 3% • Single-Occupancy Vehicle - 59% • Carpool and other - 12% The City's overall target is for 50% of trips to come from modes other than single-occupancy vehicles, and these updated numbers show good progress towards that target. While staff use the Citywide Household Travel Survey as the primary data source for deriving mode share estimates, the Report Card also presents multimodal data trends from the US Census Department's American Community Survey and latest trends in auto/bicycle/pedestrian volumes on primary transportation routes and annual SLO Transit Ridership data. The City's Active Transportation Portal web page provides additional information on current mode share trends.
Connected 1.2	Research and develop an approach to a "Mobility as a Service" platform for people to easily use all modes of low carbon mobility in the City.	Connected 1.2.A: Taking direction from the Transit Innovation Study, pursue the development of a regionally integrated "Mobility as a Service" platform.	Connected 1.2.A: Update the Mobility as a Service platform as necessary.	Administration, Public Works	Fall 2023	Qualitative tracking in CAP progress report	On hold	While the City has not developed a Mobility as a Service platform, SLOCOG is advancing the concept in a narrowed way through their forthcoming Mobility Wallet Pilot Program. Whereas a "Mobility as a Service" platform would serve users as they move around using multiple modes of transportation in a single trip (for example: using bikeshare to travel to the bus stop to commute via transit), the Mobility Wallet pilot being led by SLOCOG is an electronic or card-based system that would distribute $1.047 million in Low Carbon Transit Operations Program funding to eligible SLO County constituents as pre-loaded debit cards restricted for transit use on both RTA and SLO Transit's systems. The initial program will be focused on transit services only, but the goal is to expand the Mobility Wallet to include other services like bike lockers and other forms of public transit as they become available.

Foundational Action	Action Description	2023-25 Task	2025-27 Task	Responsible Department	Start Date	Progress Tracker	Status	July 2023 – March 2026 Action Progress
Connected 2.1	Complete Active Transportation Plan and begin implementation immediately.	Connected 2.1.A: Continue to implement the Active Transportation Plan.	Connected 2.1.A: Continue to implement the Active Transportation Plan.	Public Works	Ongoing	Qualitative tracking in CAP progress report	On track	The City adopted the Active Transportation Plan in February 2021 and has since rapidly implemented active transportation projects across the community. Projects completed since the adoption of the 2023-27 CAP Work Program include the North Chorro Neighborhood Greenway, shared use paths on Madonna Rd and in the Cerro San Luis Development, and new crossing improvements at South/King and Sydney/Johnson. As of 2026, the City has completed 31% of the City's Tier 1 active transportation network, with more projects on the way at Higuera, Tank Farm, South Brood, and Prado. More information about the implementation of the Active Transportation Plan can be found in the 2025 ATP Report Card.
Connected 2.2	Launch micro mobility program by 2021.	Connected 2.2.A: Reassess the viability of launching a Micro Mobility Program and launch if feasible.	Connected 2.2.A: If viable, continue to operate and expand the Micro Mobility Program.	Administration, Public Works	Summer 2023	Qualitative tracking in CAP progress report	On hold	On May 7, 2024, City Council authorized the release of a request for proposals (RFP) for a community bikeshare program. The RFP was for a bikeshare pilot with 100 bikes with docks sited in the downtown core and Cal Poly campus. The RFP also specified that the program be operated at no cost to the City and low impact to Public Works staff. During the RFP process market conditions shifted and the bidding vendors updated their proposals to require substantial external funds to sustain operations and as a result, a vendor was not selected. Staff continues to monitor market conditions and better understand potential service providers. Should a viable program be possible that meets the operational needs of the City, staff could return with an updated RFP to re-test market conditions.
Connected 3.1	Establish a policy and strategic approach to leveraging existing and new parking garages for downtown residential and visitor serving uses and to allow for further implementation of the Downtown Concept Plan.	Connected 3.1.A: Establish a policy that addresses the distribution of Level 2 and Level 3 chargers in parking lots and garages.	Connected 3.1.A: Continue to implement the parking lot and garage policy and pursue updates if necessary.	Administration, Public Works	Winter 2024	Qualitative tracking in CAP progress report	On hold	At the time of adopting the 2022 CAP, staff were concerned about the lack of Level 3 chargers at City parking lots and garages and included this action to develop a policy requiring more Level 3 chargers. As electric vehicle adoption rates have increased and charging behavior has been observed, staff have determined that Level 2 chargers are the appropriate infrastructure for public parking garages and have deemed the development of a new policy unnecessary. The City continues to deploy new charging infrastructure in public lots and garages, including 41 new Level 2 EV spaces in the Cultural Arts District Parking Structure and 8 privately operated Level 3 charging ports at various public lots, with 8 more scheduled for installation in 2026. The City also developed an updated rate structure that will better support charger availability, as well as ongoing maintenance, replacement, and expansion of EV infrastructure in the future.
		Connected 3.1.B: Pursue parking programs, rules, and regulation that can reduce vehicle miles travelled and support alternatives to vehicle ownership.	Connected 3.1.B: Continue to pursue parking programs, rules, and regulation that can reduce vehicle miles travelled and support alternatives to vehicle ownership.	Administration, Community Development, Public Works	Spring 2024	Qualitative tracking in CAP progress report	On track	The City has advanced its efforts to reduce vehicle miles traveled and support alternatives to vehicle ownership through several key actions. The Parking Fund purchased and installed 22 new BikeLink lockers in the downtown core, expanding secure bike storage facilities for people who bike to downtown San Luis Obispo. The SLO Transit Downtown Access Pass program, funded by the City's Parking Fund, has grown to 68 active users in 2025, nearly doubling the 2024 total of downtown employees using SLO Transit. Additionally, in 2023 the City created the Mobility Division, integrating Parking, Transit, and Active Transportation under one structure to improve coordination, develop multimodal solutions, and balance competing priorities.
Connected 4.1	Develop transit electrification strategic plan and begin implementing in 2020.	Connected 4.1.A: Continue to electrify the SLO Transit bus fleet.	Connected 4.1.A: Continue to electrify the SLO Transit bus fleet.	Public Works, Administration	Ongoing	# of electric buses; percentage of fleet electrified: 8 / ~50%	On track	As of early 2026, there are two electric SLO Transit buses in service. Six more electric transit buses are scheduled to enter service Spring 2026 and an additional two electric buses should be in service by Fall 2026. This will bring the total number of electric buses in the SLO Transit fleet to 10, comprising around 50% of the total fleet of 19-20 vehicles. This progress aligns with the City's Zero-Emission Bus Roll Out Plan, which provides a strategy to reaching California's Innovative Clean Transit (ICT) fleet regulation goal of 100% zero-emission buses by 2040, while also avoiding early retirement of conventional buses. With the adoption of 2025 Short-Range Transit Plan update, Council approved the refurbishment of up to five diesel-powered buses to accelerate the implementation of service expansion recommendations. These refurbishments will delay SLO Transit's transition to 100% zero-emission technologies; however, the City will remain compliant with California's ICT mandates. By 2030, staff anticipates that 80% of the fleet will be zero-emission assuming state and federal funding for zero-emission buses continues be available. Additionally, the Short-Range Transit Plan provides a holistic approach to improving SLO Transit's vehicles and infrastructure including reinvestment in existing buses and critical on-board technology upgrades. These two plans work together to provide the best experience for SLO Transit users in the short term while advancing the long-term goal of 100% zero-emission buses in the long term.

Foundational Action	Action Description	2023-25 Task	2025-27 Task	Responsible Department	Start Date	Progress Tracker	Status	July 2023 – March 2026 Action Progress
Connected 4.2	Shorten transit headways through accelerated implementation of the existing Short-Range Transit Plan.	Connected 4.2.A: Incorporate recommendations from the Transit Innovation Study into the Short-Range Transit Plan and begin implementation immediately.	Connected 4.2.A: Continue to implement the Short-Range Transit Plan.	Public Works	Fall 2023	Annual transit system headways	On track	The Transit Innovation Study (TIS) provides recommendations to improve SLO Transit into the future. In January, 2024, Council reviewed a draft of the Transit Innovation Study and directed staff to finalize the report and begin implementation. In March 2025, the City published the Transit Innovation Implementation Progress Report. Specific TIS recommendations were further analyzed and incorporated into the Short-Range Transit Plan (SRTP) update process, which was adopted by Council in April 2025. Not all TIS recommendations were analyzed in the SRTP or included as recommended actions. Details on implementation progress for the high and medium priority TIS recommendation are presented below in ranked priority order. The TIS recommendations that were further analyzed in the SRTP are identified in this broader list. 1. Enhanced fixed route services (TIS) → Fixed route recommendations (SRTP) ○ Reinstate services to pre-pandemic levels. *Reinstatement of pre-pandemic service levels is scheduled to take place Spring 2026.* ○ Increase Route 4A/B service, operate "B" Routes on weekends, increase service frequency on Routes 2A/B, provide academic service year-round, and provide new service to Avila Ranch area *Fixed route SRTP recommendations will be implemented under a new contract for transit operations and maintenance services (assuming funding and vehicles are available to operate service). The new contract is expected to go into effect on July 1, 2026. Implementation of the SRTP recommendations will be phased in during the contract term and coordinated with the new contractor.* 2. Pursue open-loop payment system (TIS) *SLO Transit is partnering with SLOCOG, RTA, and California's Department of Transportation on this project with the goal of implementing the new payment system by April 2026. The new system includes a payment option that will limit what riders pay to the max daily and max monthly rates.* 3. Fare changes for students, seniors and low-income riders (TIS) *In February 2025, Council approved making the discounted K-12 15-ride pass a permanent program. SLO Transit, SLOCOG, and RTA considered a one-year fare free pilot program but, by federal law, it would also mean that the County's paratransit services would also have to be free. There was not enough funds available to cover both fixed-route and paratransit. Instead, SLOCOG is using the funds on a Mobility Wallet Pilot Program (see Connected 4.1.A).* 4. Replace Computer-Aided Dispatch and Automated Vehicle Locator (CAD/AVL) system of fixed route vehicles (TIS) *The CAD/AVL system connects with other technologies such as onboard voice annunciators, passenger counters, security cameras, and real-time passenger information displays. Replacing the CAD/AVL system will enhance scheduling accuracy,*
Connected 4.3	Explore additional innovative transit options in the 2022 Short-Range Transit Plan (e.g., on-demand deviated routes, electric fleet expansion, micro transit, Bus rapid transit, transit signal priority).	This action will be addressed by Connected 4.2.A.	This action will be addressed by Connected 4.2.A.					

Foundational Action	Action Description	2023-25 Task	2025-27 Task	Responsible Department	Start Date	Progress Tracker	Status	July 2023 – March 2026 Action Progress
Connected 4.4	Assess feasibility of a “free to the user” transit ridership program.	This action will be addressed by Connected 4.2.A.	This action will be addressed by Connected 4.2.A.					*service monitoring, reporting, and rider communication. Funding from state and federal grants is expected to fully cover the cost, with installation anticipated in Spring 2026.* 5. Upgrade automatic passenger counters (TIS) *Installation of automatic passenger counter technology is scheduled to occur in Spring 2026 along with the implementation of a new CAD/AVL system.* 6. Enhance real-time passenger information *Immediate improvements to real-time passenger information will occur once a new CAD/AVL system is installed. Staff updated SLO Transit’s bus stop inventory in August 2025, and bus stop conditions along with ridership data will be used to identify locations to install additional amenities like real-time information signs.* *7.* Replace and improve camera systems *$750,000 in state grant funding has been approved for improved camera systems and are currently available for project related costs.* 8. Explore institutional partnerships *In November 2025, the City partnered with Rideshare’s Know How to Go campaign to sponsor the Holiday Trolley. The sponsorship covers the costs of fares allowing riders to use the service at no cost. Ridership of the Holiday Trolley was over 1,000 riders compared to less than 250 the prior year when there was no sponsorship of the cost. Remaining sponsorship funds are being used to cover fares for the Farmers’ Market Trolley service which operates every Thursday. Future partnerships are being explored to offer discounted or free fare rides on other SLO Transit services including the Mobility Wallet Pilot Program previously discussed.* 9. Install lighting, shelters, and bike parking at applicable bus stops (TIS) *An update to SLO Transit’s bus stop inventory was completed in August 2025. The updated inventory will be used to develop a multiyear improvement plan for all bus stop amenities. Staff is also working to replace the twelve remaining old style bus shelters with new shelters per the City’s Engineering Standards by June 2027.* 10. Expand the Downtown Access Pass (TIS) *The application process was streamlined in fall 2024, and expansion of the program’s geographic area is a recommendation in the Short-Range Transit Plan.* 11. Pursuing microtransit mobility services (TIS) → Microtransit pilot program (SRTP) *Microtransit will be pursued as a “turnkey” option through a third-party contractor. There is a microtransit feasibility study underway in FY25-26, which will determine how a microtransit program could be implemented in SLO including possible service alternatives.* 12. Launch a bikeshare program *See Connected Community 2.2.A.*
Connected 5.1	Complete the 2019-21 Housing Element of the General Plan Update and Flexible Zoning	Connected 5.1.A: Continue to implement the Housing Element of the General Plan.	Connected 5.1.A: Continue to implement the Housing Element with a special focus on reaching the City’s RHNA goals.	Community Development	Ongoing	Housing production by income (per Regional Housing Needs Allocation)	On track	Implementation of the Housing Element includes removing barriers to housing production, meeting the State's Regional Housing Needs Allocation of 3,354 housing units from January 1, 2019, through December 31, 2028, and diversifying housing options for all with a focus on infill development. Since the adoption of the 6th Cycle Housing Element, the City has updated zoning standards that approve objective design standards, allow housing in more zoning districts, incentivize more below-market-rate housing, and expand housing projects eligible for ministerial permits. As of the end of 2025, the City has far exceeded its 1,406 housing unit allocation for “Above Moderate” housing units by permitting 2,478 housing units. For below market rate ("affordable") housing units, the City has permitted 719 housing units with 1,229 units still needed to meet the 6th Cycle RHNA allocation by the end of the 2028 calendar year. Of the remaining below market rate allocation, 39% of the units must be reserved for Very Low and Extremely Low Incomes, 21% for Low Incomes, and 40% for Moderate Incomes.

Foundational Action	Action Description	2023-25 Task	2025-27 Task	Responsible Department	Start Date	Progress Tracker	Status	July 2023 – March 2026 Action Progress
	Requirements for Downtown.	Connected 5.1.B: Conduct “Missing Middle” housing pilot program along major urban corridors.	Connected 5.1.B: Continue to support “missing middle” housing along major urban corridors.	Community Development	Spring 2024	Qualitative tracking in CAP progress report	On track	The City's goals to foster "missing middle" housing have been reshaped through state housing legislation since 2019. Instead of a stand-alone ordinance to widen housing opportunities along specific corridors, the City has leveraged a series of state laws and programs to expand missing middle housing opportunities and is incorporating missing middle housing as a priority in Specific Plan updates. Examples of missing-middle aligned regulations and programs include: • Density Bonus Law implementation provides incentives for smaller units as higher densities are achieved for infill lots. The majority of all housing projects over 10-units utilize the City's Density Bonus incentives. • The inclusionary housing in-lieu fee is based on square footage. As a result, smaller units have lower fees, which incentivizes smaller infill development. • The Downtown Flexible Density Program developed through the State SB2 Grant programs removes density requirements for units less than 600 square feet downtown. • Expanded opportunities for ministerial review and greatly reduced fees for ADUs and JADUs have resulted in approximately 80-100+ permits issued annually. • The City's updated Subdivision Ordinance allows flexible lot design for R-1 districts and implements a streamlined processes for urban lot splits allowed through SB 9 and SB 684. • Updated zoning regulations and the Airport Area Specific Plan implement state law by allowing more mixed-use housing within Service Commercial and Manufacturing districts. • The City is currently updating the Margarita Area Specific Plan to incentivize missing middle housing opportunities.
Connected 6.1	Develop and begin implementing electric mobility plan to achieve a goal of 40% electric vehicle miles traveled (VMT) by 2035.	Connected 6.1.A: Enable the installation of publicly accessible EV chargers on public property to meet community need.	Connected 6.1.A: Continue to expand EV charging on public property.	Administration, Public Works	Ongoing	# EVs registered in county: 11,000 # public chargers in City: over 250+ # publicly available chargers on City property: 68	On track	Publicly accessible EV charging on public property has expanded since 2020. Locally, the network grew from two public chargers in 2019 to a combined 27 today, including 19 standard ports intended for multi-hour use and eight fast chargers for short stops. Additional projects scheduled for 2026 will add 41 more standard chargers at the Cultural Arts District Parking Garage and eight fast chargers at Railroad Square and the Calle Joaquin Park-and-Ride, for a total of 76 public chargers. These public chargers supplement an expanding network of private and residential charging already operating in the community. Additionally, in February 2026, the City updated EV charging rates in paid parking lots to a structure designed to balance affordability and availability for users while covering operational costs, utility expenses, and equipment maintenance.
		Connected 6.1.B: Support publicly accessible EV chargers on private property.	Connected 6.1.B: Continue to support the installation of publicly accessible EV chargers on private property.	Administration, Community Development, Public Works	Ongoing	# of EV chargers on private property: over 250 publicly accessible and 400 non-accessible charging ports (*estimates*)	On track	Statewide, California’s public charging ports grew from 41,947 in 2019 to 178,549 in 2024, a more than fourfold increase. Using the best available public data, the number of publicly accessible EV charging ports within San Luis Obispo city limits has increased steadily over the same period. Estimates indicate roughly 109 public ports in 2020, rising to about 130 in 2021, 154 in 2022, 183 in 2023, and 217 in 2024. By 2025, the total is estimated at approximately 258 public ports, more than doubling local public charging capacity since 2020. This growth is in addition to privately accessible chargers on private property. City permitting records show roughly 400 private charging heads in use, a conservative estimate that excludes charging equipment installed as part of larger development projects, unpermitted chargers, or lower-level chargers that do not require permits. This rapid expansion in charging infrastructure aligns with continued growth in EV ownership. According to California Energy Commission and DMV data, residents purchased more than 11,000 electric vehicles in San Luis Obispo County through 2025. EVs accounted for 24%, 22%, and 22% of all light-duty vehicle sales in the County in 2023, 2024, and 2025, respectively. With the elimination of federal tax credits, continued growth local adoption of EVs and EV chargers will face new headwinds. However, durable local and regional rebates exist, including 3CE’s Electrify Your Ride, which since 2020, has issued over $2.2 million in rebates for electric vehicles and home charging projects in the city.

Foundational Action	Action Description	2023-25 Task	2025-27 Task	Responsible Department	Start Date	Progress Tracker	Status	July 2023 – March 2026 Action Progress
		Connected 6.1.C: Assess the viability of launching a publicly accessible EV carshare program and launch if feasible.	Connected 6.1.C: Continue to support a publicly accessible EV carshare program.	Administration, Public Works	Winter 2024	# carshare sites: 0 # vehicles in operation: 0 # annual trips made by carshare vehicle: 0	On hold	Based on conversations with vendors in the early 2020s, the launch and operation of a stand-alone carshare program was identified as prohibitively costly in a low density and small community like San Luis Obispo. The City is currently working to understand how these conditions may have changed over the last several years and is currently engaging directly with Zipcar, Cal Poly's car share program provider to learn more. Beyond that, there are no active tasks to further evaluate or pursue car share in the City's current work program.
		Connected 6.1.D: Deploy EV charging infrastructure in low-income and underserved areas.	Connected 6.1.D: Continue to support the installation of EV chargers in low-income and underserved areas.	Administration, Community Development, Public Works	Summer 2023	# of EV chargers in underserved areas: the City hosts 4 charging ports in disadvantaged areas as defined by SLOCOG	Behind	The City was supported HASLO's participation in a regional grant for EV chargers at multifamily properties. This HASLO project, when complete, will install 32 new level 1 chargers across 4 HASLO properties in San Luis Obispo (and a total of 54 chargers across 7 sites county wide). Additionally, the City has heard from community members that the Level 3 EV chargers installed at Johnson Park have provided nearby multifamily tenants with an accessible charging option near their homes. Staff have sent information about grant programs that provide charging at multi-family properties to property managers, but there has been little interest in pursuing these projects. Going forward, the City will continue to prioritize providing low-income and underserved areas with access to EV charging, and in particular finding solutions for the 60% of San Luis Obispo residents who are renters. Future strategies include continuing to connect multifamily property owners with regional technical assistance providers and EV charging incentives, as well as ongoing expansion of EV charging infrastructure on public lots and providing information about available chargers to low-income community members (e.g., the CADPS parking structures' Level 2 chargers are also intended for overnight use by downtown residents).
Circular Economy 1.1	Adopt an ordinance requiring organic waste subscription for all residential and commercial customers by 2022.	Circular Economy 1.1.A: Implement an inspection and enforcement program to ensure compliance with SB 1383 requirements.	Circular Economy 1.1.A: Maintain compliance with SB 1383 inspection and enforcement requirements.	Utilities	Ongoing	# Notice of Violations issued annually (beginning in 2024): 15	On track	The Integrated Waste Management Authority (IWMA) has established an SB 1383 inspection program that provides as-needed education and outreach to any premises found out of compliance through site visits or complaints. Enforcement guidelines were adopted under City Ordinance 1706, which grants the City's Code Enforcement Team the authority to require corrective action for non-compliant premises. Under this process, the IWMA conducts the initial site visit or outreach, and if non-compliance persists without voluntary remediation, the case is referred to the City's Code Enforcement Team for follow-up. Since implementation, the IWMA has conducted fifteen SB 1383-related complaint investigations, all of which were successfully resolved through IWMA outreach and education.
		Circular Economy 1.1.B: Comply with SB 1383 procurement requirements for recycled organic waste and paper.	Circular Economy 1.1.B: Maintain compliance with SB 1383 procurement requirements.	Utilities, Finance	Ongoing	Quantity of organic materials procured annually: over 5,000 tons	On track	The City continues to maintain compliance with SB 1383's organic waste and recycled-content paper procurement requirements. The IWMA tracks and reports the annual procurement target on a countywide basis for all member agencies. Compliance is achieved through eligible organic and paper purchases, application of compost and mulch, and the renewable electricity and other beneficial byproducts generated by the Kompogas anaerobic digestion facility. In 2024, the City procured 5,255.93 tons of organic waste, which is 143% of the SB 1383 organic procurement target. The City's Solid Waste and Recycling Team and Purchasing Team provide education and outreach to staff on SB 1383's procurement requirements, and supply the IWMA with the necessary documentation to support ongoing compliance.
		Circular Economy 1.1.C: Collaborate with the IWMA to educate the public on waste minimization and the proper sorting and disposal of organic and recyclable products.	Circular Economy 1.1.C: Continue to collaborate with the IWMA to educate the public on waste minimization, and the proper sorting and disposal of organic and recyclable products.	Utilities	Ongoing	Qualitative tracking in CAP progress report	On track	The City and IWMA continue to collaborate on waste-minimization and proper-sorting outreach through social media posts, in-person events, presentations, and newsletters. In addition, the IWMA has developed short educational videos on waste reduction, which have been shared on social media platforms and broadcast on local television. Further outreach materials are being developed by the IWMA, Science Discovery, and City staff to expand community awareness and engagement.

Foundational Action	Action Description	2023-25 Task	2025-27 Task	Responsible Department	Start Date	Progress Tracker	Status	July 2023 – March 2026 Action Progress
Circular Economy 1.2	Develop and implement program to increase edible food rescue by 20%.	Circular Economy 1.2.A: Monitor and support IWMA programs that aim to increase edible food rescue.	Circular Economy 1.2.A: Continue to monitor and support IWMA programs that aim to increase edible food rescue.	Utilities	Ongoing	Qualitative tracking in CAP progress report	On track	The IWMA manages edible food recovery requirements countywide on behalf of member agencies, all of which have maintained full compliance. The City continues to monitor and support the IWMA's food recovery tracking efforts and maintains a strong working relationship with the region's primary food rescue organization, the SLO Food Bank. Since, July 2023 to October 2025, 1.7 million pounds of edible food was recovered in the City of San Luis Obispo.
Circular Economy 1.3	Develop and implement a waste stream education program for HOA/Property Managers and the commercial sector.	Circular Economy 1.3.A: Partner with the IWMA on waste stream education and outreach for HOA/Property Managers, as well as major employers and institutions.	Circular Economy 1.3.A: Continue partnering with the IWMA on waste stream education and outreach for HOA/Property Managers, as well as major employers and institutions.	Utilities	Ongoing	Qualitative tracking in CAP progress report	On track	In partnership with the City, the IWMA develops and provides outreach to commercial businesses, major employers and institutions, HOAs, and Property Managers. As a college town, it was recognized that Property Managers require more proactive support due to high contamination rates and frequent tenant turnover. In response, City staff expanded outreach to multi-family properties through email communication and as-needed on-site visits. Mobile home parks with shared waste services were additionally identified as key stakeholders needing updated and consistent waste-stream education, prompting increased engagement efforts. This work also aligns with the 2025–27 Major City Goal, which prioritizes enhanced outreach to both multi-family and mobile home park communities. Large employers and institutions are also offered opportunities for on-site presentations to strengthen compliance and reduce contamination.
Circular Economy 2.1	Update the Municipal Code solid waste section and bin enclosure standards.	Complete.	Complete.	Utilities	N/A	N/A	On track	City Council adopted Ordinance 1706 to update Sections 8.04 and 8.05 of the Municipal Code to align with the requirements of Senate Bill 1383, supporting the City's continued efforts to divert food and organic waste. In January 2024, the Trash Enclosure Design Guidelines were updated and posted to the City's website. The City partners with San Luis Garbage throughout the permitting process to ensure that new and redeveloped sites include adequate capacity and service levels for the proper collection and diversion of trash, recycling, and organic materials.
Circular Economy 2.2	Develop and expand funding for a Solid Waste section in the Utilities Department.	Circular Economy 2.2.A: Support innovative organic waste collection systems for high-volume and hard-to-reach waste generators.	Circular Economy 2.2.A: Continue to support innovative organic waste collection systems for high-volume and hard-to-reach waste generators.	Utilities	Winter 2024	Qualitative tracking in CAP progress report	On track	Events and multi-family complexes have been identified as high-volume waste generators with elevated contamination rates. The City provides Special Event Waste Reduction Guidelines to all permitted events, and the event application and contract clearly outline the City's organic waste diversion requirements and local sustainability ordinances. Multi-family complexes receive additional education and outreach support, including recurring resource emails to property managers and opportunities for on-site presentations to improve compliance and reduce contamination.
		Circular Economy 2.2.B: Build relationships with local and regional waste industry stakeholders.	Circular Economy 2.2.B: Convene a Circular Economy Stakeholder Forum to gather key stakeholders and inform future Circular Economy actions.	Utilities, Administration	Ongoing	Qualitative tracking in CAP progress report	On track	The City continues to develop relationships with local industry stakeholders such as industry leaders, local advocates, non-profits, educators, practitioners, and implementers in the local and regional waste industry. A Circular Economy Stakeholder Forum will be facilitated with these stakeholders to develop implementable and impactful actions for the forthcoming Climate Action Plan update.

Foundational Action	Action Description	2023-25 Task	2025-27 Task	Responsible Department	Start Date	Progress Tracker	Status	July 2023 – March 2026 Action Progress
Natural Solutions 1.1	Conduct Carbon Farming Study and Pilot Project in 2021. If feasible, begin implementation by 2023.	Natural Solutions 1.1.A: Make progress on protecting land within the City's Greenbelt through direct purchases and conservation easements.	Natural Solutions 1.1.A: Continue to make progress on protecting land within the City's Greenbelt through direct purchases and conservation easements.	Administration	Ongoing	Number of acres protected	On track	Staff actively pursue priority land conservation opportunities in accordance with Council direction. The City received a dedication of Righetti Hill within the Orcutt Area Specific Plan and the Natural Resources Program, along with the Ranger Service staff, worked to establish a new open space and trail system. The Righetti Hill Open Space Conservation Plan was adopted by Council in 2023 and trail system and trailhead improvements were completed in 2025.
		Natural Solutions 1.1.B: Expand climate resilience and carbon sequestration practices to additional properties and sites in the City and broader Greenbelt.	Natural Solutions 1.1.B: Maintain and continue to apply climate resilience and carbon sequestration practices to properties in the SLO Greenbelt.	Administration, Parks and Recreation	Fall 2023	Number of projects completed; acres receiving treatment/s; estimated carbon sequestered	On track	The City continues to apply innovative climate-informed land stewardship practices across the SLO Greenbelt, and staff continue to actively pursue external funding to expand these efforts. At Johnson Ranch the City has installed 30 "beaver dam analogs" in Dry Creek to retain water longer into the dry season, improve groundwater recharge, and improve steelhead habitat. This grant-funded project is also on track to plant over 300 native riparian plants and trees, and regenerate native perennial bunchgrasses. Additional restoration projects include regenerative grazing with goats, sheep, and cattle. The City continues to invest in regenerative contract grazing at select properties and is continually improving cattle grazing agreements and infrastructures to promote regenerative outcomes. Together these restoration activities can sequester carbon while making San Luis Obispo and its open spaces more resilient to the impacts of climate change. The City also continues to partner with the yak titʸu titʸu yak tiłhini to revive traditional ecological knowledge on City Open Space properties including the use of cultural fire (with burns occurring in June 2024, November 2025, and December of 2025). Good fire reduces fuel loads and decreases the likelihood of catastrophic future wildfires. Tinitʸu "Good Fire" can also enhance and maintain biodiversity and restore perennial bunch grasses that store more carbon than invasive annual grasses. The City also continued to support and partner with City Farm SLO to deliver sustainable agriculture education for students and the community, while producing healthy local food. In early 2022, a 40-year lease extension was granted to City Farm SLO reflecting the successful long-term partnership and City Farm SLO's plans for significant capital improvements at the property. City Farm SLO was awarded a $200,000 grant from the California Farmland Conservancy Program for site access improvements and enhancements along Prefumo Creek, which was completed in 2024, and in 2025 an additional 1.5 acres of farmland was added to the lease area. The City will continue to further augment this effort with in-kind services and support as part of the Major City Goal work program.
Natural Solutions 2.1	Prepare the City's first Urban Forest Master Plan by 2021 and plant and maintain 10,000 new trees by 2035.	Natural Solutions 2.1.A: Adopt and implement the Community Forest Plan and make significant progress on the 10 Tall goal of planting and maintaining 10,000 new trees by 2035.	Natural Solutions 2.1.A: Continue implementing the Community Forest Plan and make significant progress on the 10 Tall goal of planting and maintaining 10,000 new trees by 2035.	Administration, Public Works	Summer 2023	Number of trees planted	On track	Over 6,000 new trees have been planted by the City, community partners, volunteers, and community members in both private and public spaces, in support of the City's 2035 goal of planting 10,000 new trees. The City also continues to maintain a healthy urban forest so that existing carbon stocks stored in trees' living tissues are resilient to present and future climate hazards. Through the intradepartmental "Keys for Trees" program in partnership with ECOSLO, the Tourism Business Improvement District (TBID) allocates 1% of their assessment of all hotel revenue in the City towards planting trees in San Luis Obispo. Keys for Trees plants roughly 40 trees per year in City parks, open space, and other locations. Staff have continued to work with ECOSLO and Rotary de Tolosa to implement tree planting, as well as community volunteers. Arbor Day events resulted in new trees planted at French Park, along the Railroad Safety Trail, and at Santa Rosa Park, as well as providing new community relationships and educational opportunities. Staff also began cataloging where new oak trees can be planted and have begun installation of oak trees to expand the current oak forest in several City open space properties, such as Terrace Hill and Cerro San Luis. These projects were completed in collaboration with Rotary clubs, volunteers, and the California Conservation Corps. The North Chorro Greenway project, funded in part by a State of California Urban Greenways grant, installed 60 new street trees.
Administrative Action 1	Implement Climate Action Plan with an equity lens.	Implement Climate Action Plan with an equity lens.		All Departments	Ongoing	Inclusion of equity lens in implementation project plans	On track	Staff are committed to integrating equity considerations into all implementation projects on an ongoing basis. The primary way the City has centered equity in its climate work is through the internal requirement that all implementation action project plans include a detailed description of how the project will include meaningful equity considerations. This has ensured that equity stays top of mind in project implementation. Tangible results of this approach include: • Pursuing grant funds that provide administrative resources to local diversity focused non-profits. • Focusing on providing affordable air conditioning to low-income homeowners as a primary benefit of electrification. • Piloting building retrofit projects focused on affordable housing developers. • Restoring pre-COVID SLO Transit service levels. • Increasing access to safe and convenient bicycle and pedestrian infrastructure. • Supporting tribal-led cultural burns and the return of ancestral stewardship practices on City open space. • Enacting procedural equity throughout the *CAP Volume 3* update and related stakeholder engagement processes.

Foundational Action	Action Description	2023-25 Task	2025-27 Task	Responsible Department	Start Date	Progress Tracker	Status	July 2023 – March 2026 Action Progress
Administrative Action 2	Monitor and report Plan implementation.	Monitor and report Plan implementation.		Administration, All Departments	Fall 2024	Biennial GHG emissions inventory update and City Council update	On track	This progress report is the outcome of Administrative Action 2.
Administrative Action 3	Regularly update the CAP.	Regularly update the Climate Action Plan.		Administration	Winter 2026	CAP Update in 2027	On track	Staff will be returning to City Council in early 2027 to present a comprehensive update to the community Climate Action Plan. This progress report supports the 2027 CAP update process.
Administrative Action 4	Ensure transparency by reporting GHG and climate action information to public disclosure programs.	Ensure transparency by reporting greenhouse gas and climate action information to public disclosure programs.		Administration	Summer 2023	State, national, and international disclosure platforms	On track	The City reports on a wide range of greenhouse gas emissions and resilience efforts to the Carbon Disclosure Project (CDP) on a biennial basis. The City received "A-List" status, the highest grade for a disclosing City, in 2021 and 2023. The City received an A- in 2025 (with the minus coming because the City did not have an aggressive enough 2030 target). The City will submit for scoring again in 2027.
Administrative Action 5	Develop mitigation program for new development to illustrate consistency with the CAP.	Complete		Community Development	N/A	N/A	On track	The mitigation program was developed as part of the 2020 CAP via local California Environmental Quality Act thresholds of significance for greenhouse gas emissions and a related Climate Action Plan consistency checklist. The thresholds and checklist were intended to apply to development projects that required CEQA review and that resulted in mitigated negative declarations or full environmental impact reports. According to staff's records, there have been seven projects since 2020 that have been reviewed against this standard. All of these projects chose zero operational emissions via high-efficiency electric appliances and systems. It should be noted that state law has substantially reduced the number of projects required to undergo environmental review, which means fewer projects will be required to illustrate consistency with the CAP's local GHG emissions thresholds moving forward. Fortunately, the 2025 California Energy Code will be in place through 2031 and heavily incentives new buildings to be mostly-electric.
Administrative Action 6	Pursue grants opportunistically and strategically.	Pursue grants opportunistically and strategically.		Administration	Ongoing	Number of grant applications; total funds received	On track	Since 2023, the City has pursued dozens of grants related to support community climate action solutions for green buildings, transit, active transportation, solid waste, and natural solutions. Additionally, the City has brought in approximately $15.5 million since 2020 to implement the Lead by Example pillar of the CAP which focuses on carbon neutrality projects at City facilities. Successful external funding, including grants, rebates, incentives, and tax refunds across all CAP pillars s are estimated to exceed $57 million since 2020.
Administrative Action 7	Engage in legislative and regulatory advocacy.	Engage in legislative and regulatory advocacy.		Administration	Ongoing	Update annual Legislative Action Platform	On track	Since 2020, the City has included a sustainability and energy plank in the annual Legislative Action Platform and has submitted letters in support of legislation that is supports and advances the City's climate work. In 2025, the City participated more directly in legislative advocacy around AB 130, which would have precluded the City from adopting energy efficiency reach codes. Due to direct advocacy with legislators and collaboration with aligned organizations including CalCities, the final legislation included an exemption that allows the City to continue adopting and enforcing energy reach codes.