

**EMISSION REDUCTIONS FROM
NEW OR REDEVELOPMENT PROJECTS
[NO_x, VOC, AND PM2.5]**

CONTROL MEASURE SUMMARY			
SOURCE CATEGORY:	NEW OR REDEVELOPMENT PROJECTS		
CONTROL METHODS:	APPROACHES UNDER REVIEW: SJVUAPCD; NEW DEVELOPMENT PROJECT THRESHOLDS; ENHANCED CEQA		
EMISSIONS (TONS/DAY):			
ANNUAL AVERAGE	2002	2014	2020
NO _x INVENTORY	115.9	56.5	28.4
NO _x REDUCTION		<u>0.0</u>	<u>1.0</u>
NO _x REMAINING		56.5	27.4
SUMMER PLANNING INVENTORY	2002	2014	2020
NO _x INVENTORY	114.2	55.4	27.6
NO _x REDUCTION		<u>0.0</u>	<u>1.0</u>
NO _x REMAINING		55.4	26.6
ANNUAL AVERAGE	2002	2014	2020
VOC INVENTORY	64.8	30.9	30.4
VOC REDUCTION		<u>0.0</u>	<u>0.5</u>
VOC REMAINING		30.9	29.9
SUMMER PLANNING INVENTORY	2002	2014	2020
VOC INVENTORY	72.9	34.7	34.6
VOC REDUCTION		<u>0.0</u>	<u>0.6</u>
VOC REMAINING		34.7	34.0
ANNUAL AVERAGE	2002	2014	2020
PM2.5 INVENTORY	10.5	8.7	7.8
PM2.5 REDUCTION		<u>0.0</u>	<u>0.5</u>
PM2.5 REMAINING		8.7	7.3
CONTROL COST:	TO BE DETERMINED		
IMPLEMENTING AGENCY:	AQMD, LOCAL AGENCIES		

DESCRIPTION OF SOURCE CATEGORY

The purpose of this control measure is to mitigate emission growth from new development and redevelopment projects. This initiative is designed to reduce emissions related to new residential, commercial, industrial and institutional development, including redevelopment, required to meet the needs of the Basin’s future residents and economy. Lead agencies for projects subject to California Environmental Quality Act (CEQA) currently prepare air quality analysis as part of their environmental documents, including emissions during construction and operations. Typical emissions during construction phase include, but are not limited to: fugitive dust emissions, combustion emissions from off-road mobile sources (construction equipment) and on-road mobile sources, and coating and asphalt evaporative emissions. Operational emissions include, but are not limited to: area sources (e.g., water heater emissions), on-road mobile source emissions (worker commute trips, delivery truck trips, etc.), consumer products and other emissions sources depending on the specific type of land use. The purpose of this proposed measure is two-fold: (1) compliance with the “all feasible measures” requirement of the state law, and (2) capturing emission reduction opportunities during project development phase.

Background

New development projects produce new sources of air pollution from new vehicle trips, use of consumer products, landscape maintenance, new stationary source processes such as fuel combustion, as well as emissions generated during construction activities. Each day millions of vehicles travel the roads in the South Coast Air Basin and the length of vehicle trips is expected to increase as outlying areas continue to be developed. In addition, older residential, commercial and industrial areas may undergo major redevelopment involving construction activities, with emissions comparable to new development projects. Redevelopment projects may also generate additional vehicular traffic compared to the projects they replace because redevelopment projects often involve increasing population density compared to the previous use. Redevelopment includes demolishing existing buildings, increasing overall floor area or building additional capacity on an existing property. For example, the conversion of an industrial warehouse to an office building could create as much emissions as constructing a new building because it would be a complete remodel.

Regulatory History

California Health and Safety Code Section 40716 states that “a district may adopt and implement regulations to reduce or mitigate emissions from indirect and areawide sources of air pollution”. Furthermore, a 1993 California Attorney General opinion states that “a district’s regulations may require the developer of an indirect source to submit the plans to the district for review and comment prior to the issuance of a permit for construction by a city or county. A district may also require the owner of an indirect source to adopt reasonable post-construction measures to mitigate particular indirect effects of the facility’s operation. Such regulations could be enforced through an action for civil penalties...” H & S Code 40716 also states that the authority of a district to “reduce or mitigate emissions from indirect and areawide sources of

air pollution (does not) ...constitute an infringement on the existing authority of counties and cities to plan or control land use.”

Health and Safety Code 42311(g) allows districts to adopt a schedule of fees on areawide or indirect sources which are regulated, but for which permits are not issued, to cover the costs of District programs related to this source.

San Joaquin Valley Unified Air Pollution Control District’s (SJVUAPCD) Rule 9510 – Indirect Source Review, recently adopted on December 15, 2005, requires new development projects to submit an Air Impact Assessment application to the District prior to obtaining discretionary approval for a building permit. Developers are required to implement mitigation measures to reduce PM10 and NOx emissions or, as an alternative, may pay into a mitigation fund for SJVUAPCD sponsored emission reducing off-site projects. The rule applies to certain specified industrial, commercial, and residential projects based upon the amount of build-out upon project completion. Specifically, the rule applies to projects which include any of the following: 50 residential units; 2,000 square feet (sq. ft.) of commercial space; 25,000 sq. ft. of light industrial space; 100,000 sq. ft. of heavy industrial space; 20,000 sq. ft. of medical office space; 39,000 sq. ft. of general office space; 9,000 sq. ft. of educational space; 10,000 sq. ft. of government space; 20,000 sq. ft. of recreational space; and 9,000 sq. ft. of space not identified. It also includes transportation projects whose construction exhaust emissions will result in a total of two tons per year of NOx and PM10 combined. The rule is designed to reduce the impact of development projects to the extent needed to allow SJVUAPCD to reach attainment of ozone and PM10 standards.

PROPOSED METHOD OF CONTROL

The AQMD is obligated by law to consider all feasible control measures which would include a measure that is considered equivalent to the SJVUAPCD’s Rule 9510. Several different approaches are currently under consideration for this control measure. The District will convene a working group involving stakeholders from the industry, local governments, and the community representatives to further explore these approaches or others to achieve reduction targets. As part of the program development process, consideration will also be given that the program requirements would not interfere with potential third party funding opportunities. Currently the approaches under consideration are:

SJVUAPCD Approach: SJVUAPCD’s Rule 9510 will be evaluated through the working group process to determine if a similar program can be developed to meet the local need or other equivalent approach to meet the state law requirements.

New Development Project Threshold Approach: Under this concept, the AQMD would develop a rule to establish emission thresholds (or other equivalent parameters) for new development and redevelopment projects. Projects exceeding these thresholds would be required to implement a series of mitigation measures. The quantity and the source of emission will be taken into consideration in developing the thresholds and mitigation measures to be implemented. Fee options in lieu of mitigation measures would be explored or could be required to offset the

residual emissions above the thresholds. The collected fees will fund emission reduction projects within the impacted community, to the extent feasible.

CEQA Approach: The CEQA approach contains three components.

Improved Documentation of CEQA Mitigation Measures - AQMD will expand, organize, and further document its CEQA mitigation measures for residential, commercial, and industrial development projects. The documentation is intended to provide sufficient records regarding the feasibility of such measures. The most feasible control methods are those that have been achieved in practice and found to have quantifiable emissions, such as construction dust control measures, alternative-fuel or low-emitting engines for construction equipment, diesel PM filters, and energy conservation measures. These mitigation measures will serve as a useful technical resource for developers and lead agencies to evaluate and incorporate adequate reduction strategies to mitigate significant impacts under CEQA.

Enhanced CEQA Review –The AQMD will enhance its review of CEQA documents prepared by other public agencies, which is referred to as intergovernmental review (IGR). The AQMD’s IGR responsibilities specifically involve reviewing the air quality analysis in a CEQA document prepared by other public agencies (referred to as lead agencies) to ensure that the analysis methodologies, emission factors, analysis assumptions, etc., are consistent with the methodologies identified in the AQMD’s CEQA Air Quality Handbook and on the AQMD’s CEQA web pages. Staff will review the documents to ensure that the most recently approved models such as EMFAC2002 (EMFAC2007 once released), URBEMIS2002, etc., are used appropriately to estimate air quality impacts. The AQMD also reviews CEQA documents to determine if all feasible mitigation measures identified by the District are incorporated into the proposed project to reduce significant air quality impacts below the significance thresholds or to the maximum extent feasible. Staff will submit a comment letter based on the finding to the lead agency to recommend additional mitigation measures if necessary. Lead agencies – namely, the cities and counties making ultimate land use approval decisions under CEQA – would apply the updated and expanded guidance and mitigation recommendations to individual projects; determine the reasonably feasible emission reduction mitigation requirements and, thus, the conditions of approval; and monitor and enforce implementation of the mitigation measures.

CEQA Mitigation Fee Program - AQMD may establish a CEQA mitigation fee program in which mitigation fees may be paid for residual emissions above the significance thresholds after mitigation. All feasible mitigation measures required under CEQA have to be incorporated before the developers or local agencies can participate in the mitigation fee program. Participation in this program will be voluntary. AQMD will invest the mitigation funds on emission reduction projects within the impacted community, to the extent feasible, to minimize the impacts.

AQMD would form and coordinate a working group of lead agencies, local governments, and stakeholders to carry out this initiative, resolve issues, prepare guidance, and overcome implementation barriers. AQMD would issue updated guidance to lead agencies and project

sponsors on the full range of mitigation measures and best available control technologies available to new development in its CEQA Air Quality Handbook.

EMISSIONS REDUCTION

The precise emissions inventory for future new or development projects within the Basin cannot be determined at this time. However, based on the emission growth projected for this region, a reduction target of 0.5 tpd of VOC, 1 tpd of NO_x, and 0.5 tpd of PM_{2.5} is established for 2020. The reduction estimates will be further refined through future AQMP updates.

RULE COMPLIANCE

Depending on the approach taken, AQMD will adopt a rule, program or policy to implement this measure.

TEST METHODS

Approved emission quantification protocols by federal, state or local agencies will be used to track and report emission reductions for SIP purposes.

COST EFFECTIVENESS

The cost effectiveness of this control measure would vary depending on the mitigation measures selected by the developers or lead agencies. If a mitigation fee program is to be established, the fee schedule to be established for the mitigation program will be based on the control options available at the time of program development.

IMPLEMENTING AGENCY

The District has the authority to implement this measure under its indirect source authority in conjunction with local lead agencies.