

South Coast Air Quality Management District

**Working Group Meeting
February 7, 2008**

**Proposed Rule 2301
Emissions Reductions for New or
Redevelopment Projects**

Overview of Control Measure EGM-01 New or Redevelopment Projects

- AQMD required by law to consider “All Feasible Measures” (i.e. SJVUAPCD’s Rule 9510)
- Mitigate emission growth from new development and redevelopment projects
- Capture additional emission reduction opportunities at project development phase
- Discretionary permit applications filed with local jurisdictions meeting applicability criteria will be required to submit an Air Quality Analysis Application to AQMD

Adopted 2007 AQMP Control Measure Targets

Appendix IV-A


- District's Stationary and Mobile Source Control Measures

- Emission Growth Management (EGM-01)

Reduction Targets by 2023

NOx	= 0.8 tpd
VOC	= 0.5 tpd
PM2.5	= 0.5 tpd

- Any excess reductions contribute to “Black Box” reductions



Overview of Other District ISR Programs

Other Districts' Indirect Source Rule Programs

- **Indirect Source Rule**
San Joaquin Valley Unified APCD

- **Indirect Source Fee Rule**
Imperial County APCD
Great Basin Unified APCD
Colusa County APCD
Placer County APCD

- **Enhanced CEQA Program**
Sacramento Metropolitan AQMD

SJVUAPCD Rule 9510 – Applicability

- Development projects below 2 tons per year of NOx and PM10 are exempt (Note: PM10 standards rescinded by EPA)
- Transportation projects whose Construction exhaust emissions will result in a total of 2 tons per year of NOx or PM10 are required to reduce Construction exhaust emissions

SJVUAPCD Rule 9510-Requirements

- Air Impact Analysis application submitted to APCD
- Analysis of project required prior to receiving a building permit
- Requires 33.3% reduction in Operational NOx emissions and 50% reduction in PM10 emissions
- Requires 20% reduction in NOx emissions and 45% reduction in PM10 emissions from statewide average for Construction equipment over 50 brake horsepower

SJVUAPCD Rule 9510 - Examples of Worst Case Mitigation Fees (2006)

Project Type

Fee

- | | |
|--|------------------|
| ■ Residential | ■ \$784 per unit |
| ■ Industrial Park
(39 acres) | ■ \$83,645 |
| ■ Community
Shopping Center
(100,000 – 450,000
sq. ft.) | ■ \$184,645 |

San Joaquin Valley Unified APCD

Rule 9510 - Status

- Legal Authority – H&S Code 40604
(Authority to charge ISR fees)
- Rule adopted in December 2005
- Program became effective March 2006

Imperial County APCD

Rule 310 – Operational Development Fee

- Rule adopted and became effective November 2007
- Establishes fee to mitigate Operational emissions from new development projects
- Developer can initiate off-site projects to mitigate emissions

Imperial County APCD Rule 310 (Continued)

- Fee based on average project emissions
 - Residential Single Family - \$496 per unit
 - Residential Multi-Family - \$378 per unit
 - Commercial - \$1.60 per sq. ft.
- Exempts projects with 4 dwelling units or less or low-income housing
- Imperial County has no Congestion Mitigation Fees (e.g., TUMF)

Sacramento Metropolitan AQMD

Overall Approach

- Construction Emissions – Developer mitigates below 85 pounds per day or pays recommended mitigation fee (\$14,300 per ton)
- Operational Emissions – Developer reduces NOx emissions by 15% or implements 15 points from mitigation measures list

Other Indirect Source Fees

- Placer County APCD Land Use Policy– Projects Pay Mitigation Fees for Emissions from May – October (\$14,300 per ton VOC and NOx)
- Colusa County APCD Rule 4.8 – Collects Nominal Fee to Support APCD (e.g., \$25 per dwelling unit)
- Great Basin Unified APCD Rule 301 – Collects \$150 per dwelling unit for residential (Over 4 Units) and \$0.25 per sq. ft. for commercial buildings

Comparison with Other Air Districts

	SJVUAPCD Rule 9510	Imperial Co APCD Rule 310	Sacramento CEQA	SCAQMD CEQA	SCAQMD PR 2301
Construction Exemption	2 TPY NOx 2 TPY PM10	NA	85 ppd NOx	55 ppd NOx	2 TPY NOx
Operational Exemption	2 TPY NOx 2 TPY PM10	<5 dwelling units, no exemption for Commercial	65 ppd NOx or ROG	55 ppd NOx (7.15 TPY)	2 TPY NOx (also Applicability criteria)
Construction Emission Reduction	20% NOx 50% PM10	NA	Mitigate below 85 ppd or pay fee (\$14,300 per ton)	All feasible mitigation measures	SOON Program or Carl Moyer Program
Operational Emission Reduction	33.3% NOx 50% PM10	Fee is for all Operational Emissions	15% (or 15 points)	All feasible mitigation measures	All feasible mitigation measures & extra measures for residual emissions



Proposed Rule 2301 Concept

Rule Design Parameters

- Mitigation option not unduly restricting Local Governments' prerogatives respecting land use approvals
- Rule implementation to integrate with and enhance the CEQA process, especially CEQA timelines
- Potential incentives for projects exceeding rule requirements
- 2-step rule making process

Strategy Programs

- On- Site Construction Emissions
- Operational Emissions

PR 2301

Proposed Applicability Thresholds *On-Site Construction Emissions Strategy*

- 2 tons per year of NO_x emissions

or

- Construction period greater than 6 months

PR 2301

On-site Construction Emissions Strategy

- Reduce Construction NOx emissions
 - Participate in AQMD Rule 2449 (SOON Program); or
 - Voluntarily participate in AQMD Rule 2449 or submit proposal for a Carl Moyer Program grant and implement project if awarded

PR 2301

Proposed Applicability Thresholds *Operational Emissions Strategy*

- **2 tons of NOx emissions per year**

- **Upon full buildout project will exceed*:**
 - 70 residential units
 - 55,000 sq. ft. of commercial space
 - 80,000 sq. ft. of light industrial space
 - 330,000 sq. ft. of heavy industrial space
 - 20,000 sq. ft. of medical office or recreational space
 - 35,000 sq. ft. of general office space
 - 25,000 sq. ft. of educational space
 - 10,000 sq. ft. of government space

* These numbers are subject to further review

Operational Emissions Strategy

■ Two Track Approach

Track 1 – Projects use URBEMIS quantifiable or other AQMD approved measurable mitigation measures to reduce emissions below 2 tons/year NOx emissions

Track 2 – Projects with residual emissions above 2 tons/year

- Implement all cost-effective and technically feasible mitigation measures in URBEMIS 2007
- Implement a pre-determined number of additional strategies (or points)
- Can select from AQMD list of mitigation measures

Local Government Delegation

- Local government submits alternative emission control plan for development projects in their jurisdiction

Timeline

■ Key milestones

- Working Group Meetings - 2008 into Early 2009
- Public Workshop(s) - Spring 2009
- Prehearing - Summer 2009
- Board Hearing - Fall 2009
- Rule Implementation - January 2010

Next Steps

- Identify tasks for next meeting
- Revise/modify rule concept
- Revise mitigation measure list based upon discussion
- Next meeting?