# BEFORE THE BOARD OF DIRECTORS, PLACER COUNTY AIR POLLUTION CONTROL DISTRICT, STATE OF CALIFORNIA

# **RESOLUTION NO. 01-06**

In The Matter Of: Approval of a Policy Regarding Land Use Air Quality Mitigation
Funds. A Policy Statement as Provided as Exhibit I.

The following <u>RESOLUTION</u> was duly passed by the Board of Directors, Placer County Air Pollution Control District, at a regular meeting held <u>April 17, 2001</u> by the following vote on roll call:

Ayes: YES

Noes: None

Signed and approved by me after its passage.

Chairman

Attest:

Clerk of said Board

WHEREAS, pursuant to Health and Safety Code Section 40000, within its jurisdictional area, the Placer County Air Pollution Control District has the responsibility for the control of air pollution from all sources, except emissions

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from motor vehicles; and

WHEREAS, Placer County Air Pollution Control District continues to strive to reduce emissions from all sources in order to meet both State and Federal ambient air quality standards; and

WHEREAS, the 1994 Regional Ozone Non-Attainment Plan committed to a one ton per day reduction in oxides of nitrogen emissions from land use projects; and

WHEREAS, California Environmental Quality Act Significance Thresholds and the mitigation of significant air emission impacts is a desirable and necessary means to achieve the necessary reductions; and

WHEREAS, the Placer County Air Pollution Control District, finds it desirable to mitigate the emission impacts to the extent practicable through implementation of offsite emission reductions where on-site emission reductions are not sufficient to offset a development project; and

WHEREAS, the Placer County Air Pollution Control District Board finds it prudent and desirable to establish guidelines for the District on the utilization of land use air quality mitigation funds.

IT IS HEREBY RESOLVED that the Placer County Air Pollution Control
District Board does hereby approve a policy, as shown in Exhibit I, for the use of
land use air quality mitigation funds that are received by the District.

The approved policy is provided as Exhibit I.

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1	WHEREAS, the Placer County Air Pollution Control District is the commenting agency defined
2	by the California Environmental Quality Act to recommend feasible mitigation measures to
3	achieve necessary emission reduction from new land use developments in Placer County; and
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5	WHEREAS, the Placer County Air Pollution Control District Board approved the Land Use Air
6	Quality Mitigation Funds Policy on April 12, 2001 to provide an alternative for new land use
7	development projects to offset the project related emissions when the on-site mitigation measures
8	for the project are not sufficient to mitigate the total emissions resulting from the project; and
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10	WHEREAS, the California Global Warming Solution Act of 2006 recognized the serious
11	impacts resulting from global warming and created a framework for the reduction of greenhouse
12	gases in California; and
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14	WHEREAS, Senate Bill 97, of the State of California, provided a guidance on how green house
15	gases should be addressed in certain California Environmental Quality Act documents; and
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17	WHEREAS, the 2007 U.S. Supreme Court decision Massachusetts v. EPA in which the word
18	"emissions", was determined to include greenhouse gases; and
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20	WHEREAS, the Placer County Air Pollution Control District finds it desirable to mitigate the
21	emission impacts to the extent practicable through implementation of offsite emission reductions
22	only where on-site emission reductions are not sufficient to offset emissions resulting from new
23	land use development project; and
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25	WHEREAS, the Placer County Air Pollution Control District Board finds it prudent and
26	desirable to include greenhouse gases within the definition of emissions within the Land Use Air
27	Quality Mitigation Funds Policy and to provide an alternative for new land use developments
28	offsetting the related emissions of greenhouse gases through the participation in the land use air

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quality mitigation program.

NOW, THEREFORE BE IT RESOLVED, that this Board approves and adopts the amendment of the Land Use Air Quality Mitigation Funds Policy, as shown in Exhibit #I. The existing Policy regarding the Land Use Air Mitigation Funds, as adopted on April 12, 2001, is replaced. 

### **EXHIBIT 1 - POLICY**

### LAND USE AIR QUALITY MITIGATION FUNDS

It is the Policy of the Placer County Air Pollution Control District to receive and distribute air quality mitigation funds pursuant to the guidelines listed below. These Guidelines do not supersede agreements made with applicants prior to adoption of this Policy.

## Guidelines

- The District shall continue to consider permanent on-site air quality mitigation the preferred method of reducing a project's emissions including criteria pollutants and green house gases (GHG) as defined by AB 32<sup>1</sup>. However, if sufficient measures cannot be implemented on-site to adequately reduce a project's emissions, then payment into the District's Offsite Air Quality Mitigation Fund is preferred. The District shall continue to allow new development projects to contribute into the District's Offsite Air Quality Mitigation Fund as a means to offset air quality impacts from their development.
- The District shall continue to calculate the amount of the payment for the criteria pollutants into the Offsite Air Quality Mitigation Fund as follows:

Identifying the required emission reduction to the project's pollutants of concern (e.g. ozone precursor emissions over an ozone season of May-October) and applying a cost effectiveness factor (currently \$14,300 per ton) to calculate the funds required to attain the reduction through an offsite emission reduction program. The cost effectiveness factor may be adjusted to reflect current emission reduction market conditions, as reported by the California Air Resources Board Carl Moyer Program Guideline.

Sample Calculation: - A project of approximately 2000 homes is estimated to result in daily nitrogen oxide emissions of 430 pounds per day X 180 days per ozone season / 2000 pounds per ton X \$14,300 per ton to reduce emissions through offsite program = \$553,410

The District will identify the required emission reduction for the project's related GHG
emissions to mitigate the project related global warming impacts.

1 Massachusetts v. EPA, 549 U.S. 497 (2007)

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- For the criteria pollutants, the source of the emissions reduction should be located within Placer County and the source operates primarily within the non-attainment area classified by the National Ambient Air Quality Standards (NAAQS).
- For the criteria pollutants to be reduced that are of localized concern (particulate matter, carbon monoxide), it is preferred that the location of the emissions reduction be as close as possible to the project that is to be mitigated.
- For the GHG emissions, the source of the emissions reduction should be located within California to assist in achieving the objectives of the California Global Warming Solution Act of 2006 (AB 32).
- The type of emissions to be reduced (i.e. criteria pollutants and GHG) are of the same type as
  those emissions for which the Air Quality Mitigation Fee was paid.
- Leveraging of the mitigation funds to reduce the direct contribution of mitigation funds to achieve emission reductions is preferred.
- Examples of the types of emissions reduction projects that may be qualifying but not limited to:
  - A. Provide monetary incentives to homeowners to replace high polluting non-EPA certified woodstoves with new EPA certified low emission wood, pellet or gas burning appliances.
  - B. Purchase wood chippers for the California Department of Forestry and Fire Protection and or local fire departments to be used in a residential chipper program.
  - C. Provide monetary incentives to local transit operators, public and private owners of heavy duty diesel on-road trucks and off-road equipment to replace older high emission diesel engines with new, low emission diesel or compressed/liquefied natural gas engines.
  - D. Provide funding for regional air quality improvement programs such as the "Mow Down" program implemented by the Sacramento Metropolitan Air Quality Management District.
  - E. Use as matching funds to obtain "Carl Moyer" funding for public and private air quality improvement projects.
  - F. Provide monetary incentives to the agriculture industry to replace high polluting diesel powered water pumps with new cleaner burning diesel or natural gas powered agriculture pumps.

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G. Alternative project designs or locations that conserve energy and water, projects that reduce vehicle miles traveled (VMT) by fossil-fueled vehicles, projects that contribute to established regional or programmatic mitigation strategies, and projects that sequester carbon to offset the emissions generating from the land use development project.

Amendment Adopted by the PCAPCD Board of Directors on December 11, 2008

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