BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT
SINCE 1955

February 23, 2012

Christopher Calfee
Office of Planning and Research
1400 Tenth Street
Sacramento, CA 95814

Subject: CEQA Guidelines Update Implementing SB 226

Dear Mr. Calfee:

On behalf of Bay Area Air Quality Management District (District) staff, I am writing to provide input on the Governor's Office of Planning and Research's (OPR's) proposed additions to the CEQA Guidelines to implement SB 226. We support the intention of SB 226 to promote infill projects by establishing environmental performance standards to streamline the CEQA review for eligible infill projects.

This effort represents a unique opportunity to promote healthy communities by encouraging energy efficient, infill projects to be developed in areas where people can walk, bike, or take transit to their destinations. Such infill development helps the region achieve improvements in air quality by reducing emissions of criteria air pollutants, toxic air contaminants, and greenhouse gases. From an air quality standpoint, a healthy community would be one where all residents also have clean, healthy air to breathe. We commend OPR for considering air quality in the proposed performance standards. Our comments below recommend additional opportunities to support air quality improvements and considerations in the performance standards.

VMT as Basis for Performance Standard

We understand OPR's challenge in developing simple, easy-to-use standards that encourage high performing infill development projects. We believe that the performance standards could be further strengthened to meet these goals. OPR's proposed performance standard approach based on average regional vehicle miles traveled (VMT) may actually allow projects that do not reduce per capita VMT below the regional average to be eligible for CEQA streamlining. Since VMT usually contributes the majority of a land use project's greenhouse gas emissions, VMT reduction measures will have a much broader impact in achieving local and state greenhouse gas reduction goals than non-transportation measures such as green building standards for new development.

These performance standards will be applied to a wide variety of communities across the state, representing a variety of different place types. Performance standards that are difficult to achieve in rural communities may pose little or no challenge to projects in urban settings. Therefore, we recommend that OPR consider tighter performance standards for more urbanized locations. We recommend that the standard for the highest performing infill projects be defined as projects achieving 50 percent of regional per capita VMT rather than 75 percent. We further recommend that projects

achieving 50-75 percent of regional per capita VMT be required to implement CALGreen Tier 1 measures. Finally, we recommend that projects achieving 75-100 percent of regional per capita VMT be required to implement CALGreen Tier 2 measures and implement a VMT reduction plan. A VMT reduction plan would be a commitment to implement measures that support transit and active transportation beyond those mentioned in Appendix M, Section II of the proposed Guidelines, such as providing transit subsidies, unbundling parking costs from rents, setting maximum parking limits, and providing free car-share memberships. The GreenTRIP pilot program developed by TransForm in the Bay Area found that households in infill developments that implement these measures drive 60 percent less than average Bay Area households. Participating in GreenTRIP, or a similar certification program, could meet the VMT reduction plan requirement. We also recommend that the eligibility for streamlining be limited to projects that achieve no more than 100 percent of regional per capita VMT. Residential projects where VMT exceeds 100 percent of regional per capita VMT should not be rewarded since they do not meet the basic benefit of reduced VMT associated with infill development.

Health Risk

As described by OPR in the Narrative Explanation (page 20), infill development sometimes poses air quality challenges since many transit corridors are located near high volume roadways, as well as diesel powered rail lines and stationary sources of air pollution. Abundant studies demonstrate that particulate matter from these emission sources can cause adverse health effects in nearby populations. While the District strongly supports infill development along transit corridors, as a public health agency, we are responsible for ensuring that all residents in the Bay Area have the cleanest air possible to breathe. We propose that CEQA Guidelines Section 15183.3 Streamlining for Infill Projects recognize the importance of supporting health protective infill development by stating in Section (c)(1)(C) that locating new residences and other sensitive receptors, such as school children, near high volume roadways, rail yards, rail lines or stationary sources of pollution would be considered a new specific effect if such impacts were not analyzed in a prior EIR. Such text modification would ensure consistency with the Infill Environmental Checklist Form (Appendix N) that asks if a project would "expose sensitive receptors to substantial pollution concentrations." We also propose that this section recognize that an agency may work with local air districts to identify and incorporate design strategies that can mitigate exposure and health risk below significant levels.

We support the proposal that residential project types contain a performance standard for projects near high-volume roadways, however we recommend that this standard be strengthened to be more health protective. The standard applies to projects located within 500 feet of a high volume roadway defined as 100,000 vehicles per day on urban roads or 50,000 vehicles per day on a rural road. District staff has modeled all the freeways and a number of urban roads in the Bay Area and has found that health risks from exposure to air pollution from busy freeways can extend to distances beyond 500 feet. We recommend that the performance standard be applicable to residential projects within 1,000 feet of a high volume roadway with more than 100,000 vehicles per day. We have also found that exposure to fine particulate matter (PM) and air toxics from diesel powered freight and passenger rail can contribute significantly to health risks. We recommend that this performance standard also apply to residential projects located near diesel powered rail lines and stations.

We recommend that stationary sources of PM and toxic air pollution be included in the standard as well. The California Air Resources Board Land Use Handbook identifies certain facilities as

potential sources of PM and air toxics in infill neighborhoods. We recommend that health protective criteria be integrated into the eligibility for residential and school projects.

Finally, with regard to school projects, children are especially vulnerable to adverse health impacts from air pollution. We therefore recommend that the standard for locating near high volume roadways (see our related comments above) apply to both residential and school projects.

Strengthening Performance Standards

We suggest that the performance standard for all office buildings require implementation of CALGreen Tier 1 measures. In addition, we recommend that the low parking performance standard for commercial/retail projects require that no more than 15 percent of project area, not surface area, be devoted to parking. We suggest that this same standard also be applicable to residential and office building projects.

We recommend adding a project type to Appendix M, Section III, for mixed use projects. We believe it will be useful to have specific performance standards for mixed use projects since they generally comprise the majority of infill projects in urban areas. Criteria for mixed use project types would avoid any confusion on which performance standard is applicable.

In addition, due to the long payback period for onsite renewable energy, we are concerned that some projects may claim the requirement to include renewable energy as infeasible. We recommend that OPR specify that the purchase of offsite renewable electricity (such as through a community choice aggregation program or a direct access purchase) is allowable and define a feasible payback period for onsite renewable energy to broaden the feasibility of this standard.

Regarding the proposed Infill Environmental Checklist (Appendix N), we suggest including proof of eligibility requirements in the form. Specifically, it should be clear from the form whether projects meet the eligibility requirements for densities, parking use, and other requirements defined in the proposed section 15183.3.

District staff is available to discuss our recommendations above or answer any questions. Please contact Sigalle Michael, Senior Environmental Planner, at (415) 749-4683.

Sincerely,

Jean Roggenkamp
Deputy Air Pollution Control Officer