

Exhibit 1

Amendments to the Environmental Thresholds and Guidelines Manual

Chapter 11, Greenhouse Gas Emissions, of the Environmental Thresholds and Guidelines Manual is amended to (1) provide minor amendments to the industrial stationary source threshold section in light of the 2015 Energy and Climate Action Plan expiration, and (2) to incorporate interim greenhouse gas emissions thresholds for non-industrial stationary source projects, as follows below. The amendment shows revised text in red font, with new text underlined and deleted text struck out. Except as provided herein, the Environmental Thresholds and Guidelines Manual shall remain unchanged and in full force and effect. Please refer to Exhibit 2 for a clean copy with no text editing formatting.

11. GREENHOUSE GAS EMISSIONS (Approved by the Board of Supervisors ~~May, 2015~~ January, 2021)

A. Introduction

~~This chapter provides CEQA lead agencies with a quantitative criterion by which to determine if greenhouse gas (GHG) emissions from applicable industrial stationary sources that are subject to discretionary approval will have a significant cumulative effect on climate change. Among statewide actions to reduce greenhouse gas emissions, the California Natural Resources Agency amended the Guidelines for Implementation of the California Environmental Quality Act (CEQA Guidelines) in 2009. The amendment requires CEQA lead agencies to “...make a good faith effort, based to the extent possible on scientific and factual data, to describe, calculate, or estimate the amount of greenhouse gas emissions resulting from a project” unless the lead agency determines that the project is exempt from CEQA (CEQA Guidelines §15064.4). The amendment further obligates lead agencies to consider if the estimated amount of greenhouse gas emissions from a proposed project exceeds a threshold of significance, and to consider the extent to which the project complies with regulations or requirements adopted to implement a statewide, regional, or local plan for the reduction or mitigation of GHG emissions.~~

This chapter sets forth the procedure for determining the significance of impacts from greenhouse gas (GHG) emissions under CEQA. It describes how to interpret and apply the two GHG emissions threshold questions (i.e., “a” and “b”) contained in the County’s Initial Study Template, Section 4.3b, Air Quality – Greenhouse Gas Emissions. The screening criteria and thresholds of significance for GHG emissions in this chapter reflect two primary sources: the Guidelines for Implementation of the California Environmental Quality Act (CEQA Guidelines) and the Governor’s Office of Planning and Research’s (OPR) “CEQA and Climate Change Advisory, Discussion Draft” (OPR, 2018).

This chapter is the result of County efforts in 2015 and 2020 to develop GHG emission significance thresholds for land use projects and plans. The GHG emission thresholds comply with State CEQA Guidelines Section 15064.4, Determining the Significance of Impacts from Greenhouse Gas Emissions. The County adopted the following two thresholds that are described further in this chapter, below:

- Industrial Stationary Source Threshold: On May 19, 2015, the Board of Supervisors (Board) adopted a numerical threshold of significance for GHG emissions from industrial stationary source facilities. The numerical threshold applies to oil and gas production and surface mining projects, but may also apply to other industrial stationary sources of GHG emissions within the

unincorporated County areas. Section D.1 of this chapter describes the industrial stationary source threshold and its application to discretionary projects.

- Interim Thresholds for Non-Industrial Stationary Source Projects: On January 26, 2021, the Board adopted interim GHG emissions thresholds of significance (interim thresholds). The interim thresholds apply to non-exempt discretionary land use projects and plans that do not contain industrial stationary sources of GHG emissions. Section D.2 of this chapter describes the interim thresholds and their application to non-industrial stationary source projects.

B. Background on CEQA Guidelines and Thresholds of Significance

1. CEQA Guidelines

Climate change under CEQA differs from most other types of impacts in that, ~~by definition, it is only they are~~ examined as a cumulative impact that results not from ~~any one an individual~~ project's GHG emissions, but rather from GHG emissions "~~... generated globally over many decades by a vast number of different sources.~~"¹ emitted on a global scale for many decades and from many different sources. Therefore, analysis of a project's GHG emissions under CEQA focuses solely on the incremental contribution of estimated project emissions to climate change. The CEQA Guidelines address GHG emissions as a cumulative impact given that climate change is a global phenomenon (CEQA Guidelines Section 15064.4.(b)). As the California Supreme Court explained, "because of the global scale of climate change, any one project's contribution is unlikely to be significant by itself" (*Cleveland National Forest Foundation v. San Diego Assn. of Governments* (2017) 3 Cal.5th 497, 512.). A project's significant GHG impacts must be disclosed and mitigated to the extent feasible whenever the lead agency determines that the project contributes to a significant, cumulative climate change impact (CEQA Guidelines Sections 15064.4.(b) and 15183.5). Therefore, GHG emissions impacts should be considered in a broader, cumulative context. A project's incremental contribution may be cumulatively considerable even if it appears relatively small compared to statewide, national, or global emissions (CEQA Guidelines, Section 15064.4.(b)). The interim GHG emissions thresholds are designed to identify (1) a cumulatively considerable contribution to an existing adverse condition, and (2) a cumulatively significant impact in combination with other projects causing related impacts.

A CEQA lead agency may determine that a project's incremental contribution to an existing cumulatively significant issue, such as climate change, is not significant based on supporting facts and analysis (CEQA Guidelines Section 15130, Discussion of Cumulative Impacts, Subsection ~~§15130~~(a)(2)). The CEQA Guidelines direct that a project's contribution to a significant cumulative impact will be rendered ~~insignificant less than significant~~ if the project is required to implement or fund its fair share of a mitigation measure designed to alleviate the cumulative impact (CEQA Guidelines Section ~~§15130~~(a)(3)). ~~Such determinations must be based on analysis in the environmental document with substantial evidence~~ The lead agency must provide substantial evidence in the environmental document to demonstrate that mitigation required of a project represents the project's "fair-share" contribution towards alleviating the cumulative impact.

Consistent with CEQA Guidelines Section 15064.7, Thresholds of Significance, the County developed and adopted thresholds of significance for determining the significance of a project's GHG emissions. CEQA Guidelines Section 15064.7(a) states, "[a] threshold of significance is an identifiable quantitative,

¹ Kostka, Stephen I. and Michael H. Ziechke, *Practice Under California Environmental Quality Act*, Second Edition, Volume 2, (Oakland, CA: 2013, Continuing Education of the BAR, §20.83; California Natural Resources Agency, *Notice of Public Hearings and Notice of Proposed Amendment of Regulation Implementing the California Environmental Quality Act*, 2009; Hegerl, G.C. et. al, "Chapter 9: Understanding and Attributing Climate Change," *Climate Change 2007: The Physical Basis, Contribution of Working Group I to the Fourth Assessment Report of the Intergovernmental Panel of Climate Change* (Cambridge: Cambridge University Press, 2007.

qualitative or performance level of a particular environmental effect.” Projects that comply with an applicable threshold will normally have an insignificant effect on the environment. Projects that exceed or otherwise do not comply with an applicable threshold may have a significant effect on the environment and, as a result, may require project modifications or mitigation measures to avoid or reduce those effects to insignificant levels. The following thresholds reflect this general guidance as well as the specific guidance set forth in CEQA Guidelines Section 15064.4 regarding the significance of impacts from GHG emissions.

Specifically, CEQA Guidelines Section 15064.4 states that lead agencies shall make a good faith effort to estimate or describe a project’s GHG emissions. The section further states that in determining the significance of a project’s GHG emissions, the lead agency should focus its analysis on the reasonably foreseeable incremental contribution of the project’s emissions to the effects of climate change. A project’s incremental contribution may be cumulatively considerable even if it appears relatively small compared to statewide, national, or global emissions. The agency’s analysis should consider a timeframe that is appropriate for the project. The agency’s analysis also must reasonably reflect evolving scientific knowledge and state regulatory schemes.

Per CEQA Guidelines Section 15064.4, County staff should consider the following factors, among others, when determining the significance of impacts from GHG emissions on the environment: (1) the extent to which the project may increase or reduce GHG emissions as compared to the existing environmental setting; (2) whether the project emissions exceed a threshold of significance that applies to the project; and (3) the extent to which the project complies with regulations or requirements adopted to implement a statewide, regional, or local plan for the reduction or mitigation of GHG emissions (e.g., CEQA Guidelines Section 15183.5, Tiering and Streamlining the Analysis of Greenhouse Gas Emissions, Subsection (b)). The CEQA Guidelines also clarify that the County has the discretion to select a model or methodology that it considers most appropriate for estimating GHG emissions, but that it must “support its selection of a model or methodology with substantial evidence” and “explain the limitations of the particular model or methodology selected for use.”

2. County and State GHG Emissions Goals

The State has codified progressive GHG emissions reduction goals considering the evolving scientific data surrounding climate change. Executive Order S-3-05, Executive Order B-30-15, and Assembly Bill (AB) 32 (codified in California Health and Safety Code, Part 1, Chapter 2, Section 38501) established GHG emission reduction goals for the year 2020. To further those goals, the California legislature adopted Senate Bill (SB) 32 in 2016 to establish a statewide goal of reducing GHG emissions to 40 percent below 1990 levels by 2030 (codified in the California Health and Safety Code, Division 25.5, Part 4, Section 38566). SB 32 is an extension of the State’s original climate change goal under AB 32 to reduce statewide GHG emissions to 1990 levels by 2020. Further, SB 32 is a benchmark reduction goal for the State’s pathway to 80 percent below 1990 levels of GHG emissions by 2050, as directed by Executive Order S-3-05. Agencies and project proponents must do their fair share to reduce local GHG emissions, which may be evaluated during the environmental review process, to meet these goals. In addition, on December 14, 2017, the California Air Resources Board (CARB) adopted California’s 2017 Climate Change Scoping Plan (2017 Scoping Plan), the strategy for achieving California’s 2030 GHG target (CARB 2017).

In July 2020, the Board affirmed its target to reduce GHG emissions in unincorporated County areas by 50 percent below 2007 levels by 2030. This target is in line with the State’s goal of reducing statewide emissions by 40 percent below 1990 levels by 2030.

The County developed the interim thresholds based on the County’s 2030 GHG target, which are in line with the State’s GHG emission reduction goals. The County developed the interim project-level threshold by determining the portion of the County’s 2030 GHG target emissions level that may be attributed to new development. For additional details, please see Section D.2.

3. Estimating Project-Level GHG Emissions

For applicable land use projects and plans, the County recommends that CEQA practitioners use the California Emissions Estimator Model (CalEEMod) to estimate operational and construction GHG emissions from projects. CalEEMod, developed for the California Air Pollution Officers Association (CAPCOA) in collaboration with the California Air Districts, estimates project emissions based on the types of proposed land uses, sizes, location within the state, and approximate start dates of construction and operations. It allows users to input project-specific details, such as construction schedules and land use types, but also provides default assumptions based on the available project inputs, where specific projects details are not yet known (e.g., construction phasing, construction equipment, energy use during operations, vehicle emission factors). To download the latest version of CalEEMod and view the model's user's guide and technical documentation, go to www.caleemod.com.

C. Initial Study Guidance

As discussed above, CEQA Guidelines Appendix G, Section VIII, contains two questions to help assess a project's potential impacts from GHG emissions. The County uses these same questions in its Initial Study template, which include the following:

VIII. Greenhouse Gas Emissions: Would the project:

- a. Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?
- b. Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?

Sections D and E, below, describe each threshold question in further detail.

D. Initial Study Question "a" – GHG Emissions That May Have a Significant Impact

Section D.1., below, describes the process County staff shall use to answer Initial Study question "a" for industrial stationary sources of GHG emissions. Section D.2., below, describes the process County staff shall use to answer Initial Study question "a" for land use projects and plans and all other sources of GHG emissions.

1. Threshold for Industrial Stationary Sources

a) Applicability

- The threshold applies to the following greenhouse gases, per the California Health and Safety Code §38505(g), and any other gas that the California Air Resources Board recognizes as a greenhouse gas in the future: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulfur hexafluoride (SF₆), nitrogen trifluoride (NF₃). The County recognizes that environmental documents will primarily focus on the first three chemicals, because the latter four are unlikely candidates to be associated with projects subject to this threshold.
- The threshold applies to industrial stationary sources subject to discretionary approvals by the County, where the County is the CEQA lead agency. The County **shall request encourages** other CEQA lead agencies and NEPA lead agencies to use this threshold, where the County is a CEQA responsible agency for a project.
- The threshold applies to both direct and indirect emissions of greenhouse gases, where protocols to support calculation of such emissions are available.
 - Direct emissions encompass the project's complete operations, including **GHG greenhouse gases** emitted from a location within California from all stationary and

mobile sources, involved in the operation, including off-road equipment, as well as removal of trees and other vegetation.

- Indirect emissions encompass ~~greenhouse-gases~~ GHG that are emitted to:
 - ~~To p~~Provide the project with electricity, including generation and transmission;
 - ~~To s~~Supply the project with water, including water treatment; and
 - ~~To t~~Transport and treat solid and liquid waste produced from the project's operations and water to the project's operations and the emissions to transport and process solid.
- Construction-related emissions are to be accounted for in the year that they occur.
- The threshold does not apply to ~~greenhouse-gases~~ GHG that are emitted throughout the life cycle of products that a project may produce or consume, except as identified above as a project's indirect emissions.
- The threshold does not apply to residential or commercial development.

b) Quantification of Greenhouse Gas Emissions

- The environmental document shall first quantify and disclose a project's ~~greenhouse-gas~~ GHG emissions by individual ~~greenhouse-gas~~ GHG and then convert the project's emissions to metric tonnes of carbon dioxide equivalent per year (MTCO_{2e}/year), based on the global warming potential of each gas.
- Renewable energy projects, such as solar and wind projects, may be credited for ~~greenhouse-gas~~ GHG emissions that would otherwise be emitted by natural gas-fueled electrical generation, based on consistency with California ~~greenhouse-gas~~ GHG reduction strategies to increase statewide reliance on renewable energy. The Environmental Protection Agency's Greenhouse Gas Equivalencies Calculator may be a helpful starting point to understand potential GHG emission credits.

c) Numeric Bright-Line Threshold

All industrial stationary-source projects shall be subject to a numeric, bright-line threshold of 1,000 MTCO_{2e}/year to determine if ~~greenhouse-gas~~ GHG emissions constitute a significant cumulative impact. Annual GHG emissions that are equivalent to or exceed the threshold are determined to have a significant cumulative impact on global climate change unless mitigated. For the purpose of addressing the potential for unmitigated incremental growth, the combined GHG emissions from one or more previous discretionary permit project approvals after adoption of this threshold will be considered in the environmental review of all subsequent discretionary permit applications that, as determined by the County, constitute separate parts or phases of the previously approved projects, including but not limited to:

- Any series of oil and gas production projects under common ownership or control, including related processing and transport operations that are located within the same State-designated oil field, or represent an expansion of any State-designated oil field.
- Any series of surface mining projects under common ownership or control, including related processing and transport operations, that are located within the same individually designated Surface Mining and Reclamation Act (SMARA) operation, or represent an expansion of any individually designated SMARA operation.

d) Mitigation

Projects found to result in a significant cumulative impact would be required to reduce their ~~greenhouse gas~~ GHG emissions to the applicable threshold, where feasible, through onsite reductions and/or offsite reduction programs approved by the County.

e) Periodic Revisions

The Director of Planning and Development shall re-examine this threshold ~~at least every five years~~ as needed to ensure its consistency with evolving GHG reduction progress, plans, targets and regulations. As necessary, the Director will recommend amendments and updates to the Board for consideration.

f) Relation to County Energy and Climate Action Plan

This threshold represents one of several cohesive efforts undertaken by Santa Barbara County to reduce GHG emissions. Those efforts include the Energy and Climate Action Plan (ECAP), which ~~seeks sought~~ to reduce countywide emissions by 15 percent below the 2007 baseline emissions inventory by the year 2020. The ECAP constituted~~s~~ a local GHG reduction plan that, pursuant to CEQA Guidelines §15183.5(b), ~~allowed~~s a CEQA lead agency to determine whether a future project's incremental contribution to the cumulative effect of climate is significant or not, based upon compliance with requirements of the reduction plan.

This threshold and the ECAP ~~are were~~ intended to complement one another during implementation. ~~Permit approval of future industrial stationary source projects would need to demonstrate compliance with the reduction measures of the ECAP that may be applicable to the project, as well as mitigation measures to achieve reductions of emissions to a level below the recommended threshold of significance where feasible. Quantifiable measures to reduce a project's GHG emissions in compliance with the ECAP may also count towards GHG reductions under this threshold. As part of the development of the 2030 CAP, which will replace the 2015 ECAP, the County will consider whether updates to the industrial stationary sources thresholds are warranted to achieve consistency with the 2030 CAP.~~

2. All Other Sources (Interim Thresholds)

a) Applicability

- The interim thresholds apply to the following GHGs, per the California Health and Safety Code § 38505(g), and any other gas that the California Air Resources Board recognizes as a greenhouse gas in the future, including but not limited to: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulfur hexafluoride (SF₆), nitrogen trifluoride (NF₃). The County recognizes that environmental documents will primarily focus on the first three chemicals because the latter four are unlikely candidates to be associated with projects subject to this threshold.
- The interim thresholds apply to all non-exempt projects and plans, other than industrial stationary source projects, subject to discretionary approvals by the County, where the County is the CEQA lead agency. The County shall request other CEQA lead agencies and NEPA lead agencies to use the interim thresholds when the County is a CEQA responsible agency for a project.
- The interim thresholds apply to both direct and indirect emissions of GHGs, where protocols to support the calculation of such emissions are available.
 - Direct emissions encompass the project's complete operations, including GHGs emitted from all on-site (e.g., natural gas combustion in appliances) and mobile

sources, involved in the operation, including off-road equipment, as well as the removal of trees and other vegetation.

- Indirect emissions encompass GHGs that are emitted to:
 - Provide the project with electricity, including generation and transmission; and
 - Supply the project with water, including water treatment;
- The interim thresholds apply to the emissions from the (1) transportation and treatment of solid and liquid waste produced from the project's operations and water for the project's operations, and (2) transportation and processing of solid waste.
- Construction-related emissions are to be amortized across the lifetime of the project (i.e., dividing total construction emissions by the number of years the project is expected to be operated).
- The interim thresholds do not apply to GHGs that are emitted throughout the life cycle of products that a project may produce or consume, except as identified above as a project's indirect emissions.
- The interim thresholds do not apply to industrial stationary sources.

b) Interim Threshold Development and Methodology

The County prepared interim thresholds for land use projects and plans and all other non-industrial stationary sources in accordance with the CEQA Guidelines (e.g., Section 15183.5), recent case law (e.g., *Center for Biological Diversity v. California Department of Fish and Wildlife*), and relevant guidance (e.g., OPR 2018)

The interim thresholds for land use projects and plans are based on the County's 2030 GHG emissions target (i.e., 50 percent below 2007 levels by 2030). The thresholds framework consists, first, of a numerical threshold (Screening Threshold) and, second, an efficiency threshold (Significance Threshold). The County based the Screening Threshold on the types of land uses that the County permitted over a 10-year period (2010 – 2019). The County set the Screening Threshold at a level that captures the "fair share" of emissions from new development consistent with its 2030 GHG emissions target. The County based the Significance Threshold on the targeted level of emissions from new development in 2030 and projected population and employment for the unincorporated county for the same year.

The County and its consultant, Ascent Environmental, Inc., (Ascent) prepared a memorandum titled "Santa Barbara County Interim Greenhouse Gas Thresholds Justification" (County of Santa Barbara, Planning and Development Department, October 2020). Please see this memorandum for additional information on the methodology that the County and Ascent used to develop the interim thresholds.

c) Assessment of Greenhouse Gas Emissions - Overview

The Board adopted a stepped approach to assessing GHG emissions associated with projects and plans (other than for industrial stationary source projects), as shown in Figure 1, "Interim GHG Emissions Threshold Decision Tree for Project Analyses."

First, the practitioner will compare anticipated GHG emissions against a numeric Screening Threshold of 300 metric tons of carbon dioxide equivalent (MTCO₂e) per year. The practitioner can use either a quantitative approach (by calculating project-specific emissions) or a qualitative approach (by comparing the project size to project screening criteria). If the practitioner selects

the quantitative approach, then the practitioner shall use CalEEMod or another applicable GHG modeling program to estimate the proposed project's GHG emissions.

If a proposed project's estimated GHG emissions meet or exceed the Screening Threshold, staff will then compare project emissions to a Significance Threshold (efficiency threshold of 3.8 MTCO₂e per service population, per year). The Significance Threshold is an efficiency threshold based on the project's estimated service population.

Subsection d) below provides a step-by-step approach to describing or quantifying GHG emissions from a project or plan and applying the interim thresholds.

d) *Step-by-Step Method to Assess Significance of GHG Emissions*

Step 1: Determine Threshold Applicability

As described in Section D.2.a. above, the interim thresholds apply to non-exempt discretionary projects under CEQA; specifically, land use development projects (residential and non-residential), as well as land use plans (e.g., specific plans, community plans, or master plans). The interim thresholds do not apply to industrial stationary sources of GHG emissions. The interim thresholds apply to the sum of a project's annual operational and amortized construction emissions (over the lifetime of the project, if known, or a default lifetime of 30 years).

Step 2: Apply the Numeric Screening Threshold

Step 2 uses the terms "screening criteria" and "Screening Threshold." "Screening criteria" refer to a set of metrics (e.g., square footage of single-family homes) based on compliance with the Screening Threshold. "Screening Threshold" refers to a specific numeric value. Both terms refer to levels that, if exceeded, require projects or plans to further evaluate their GHG emissions in comparison to the Significance Threshold.

The Board adopted a numeric Screening Threshold of 300 MTCO₂e/year for non-industrial stationary source projects and plans. The recommended Screening Threshold results in approximately 15 percent of all applicable future projects, and 87 percent of all applicable future land use emissions, being subject to the Significance Threshold. Approximately 85 percent of future projects will fall below the Screening Threshold and, therefore, will not require further analysis.

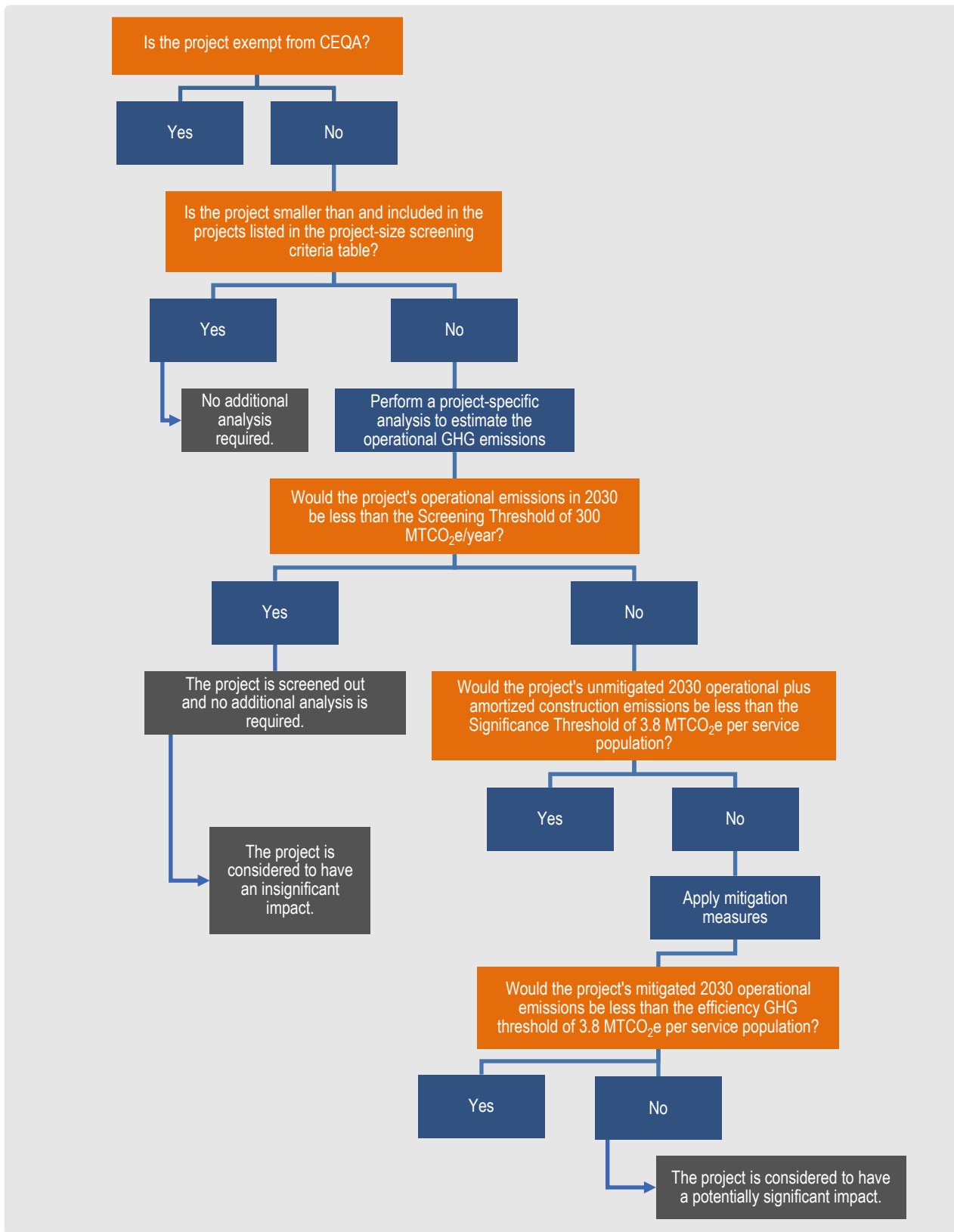


Figure 1. Interim GHG Emissions Threshold Decision Tree for Project Analyses.

The County will strictly apply the 300 MTCO₂e/year threshold as a screening threshold. The Screening Threshold is not a threshold of significance for projects that meet or exceed the threshold. In other words, projects that meet or exceed this emissions level may not propose mitigation measures to reduce emissions below 300 MTCO₂e/year; instead, County staff shall compare those projects against the proposed Significance Threshold.

Staff can apply the Screening Threshold either: (1) qualitatively, by comparing the project's land use and size to screening criteria that correspond to the numeric threshold, or (2) quantitatively, by comparing project- or plan-specific emissions directly to the numeric Screening Threshold. This section discusses both methods below.

Qualitative Approach

Lead agencies may adopt screening criteria to streamline project review for environmental impacts. Screening criteria identify classes of projects based on land use, size, and other factors that would have an insignificant impact. Agencies presume a project that meets any of the screening criteria, absent substantial evidence to the contrary, have an insignificant impact and will not require further impact analysis.

Based on the historical permit research and the recommended Screening Threshold of 300 MTCO₂e/year, the Board adopted a "Size-Based Project Screening Criteria Table" (Table 1). Table 1 lists types and sizes of projects that will typically emit less than 300 MTCO₂e/year, by the year 2030. The screening criteria represent the maximum project size at which a project is likely to emit 300 or fewer MTCO₂e per year.

Table 1 reflects the average annual operational emissions typical of the land use types listed in the table, based on default modeling conducted in CalEEMod for new land uses operating in Santa Barbara County. CalEEMod accounts for typical operational emissions (e.g., energy use, mobile, waste, and water).

Staff or applicants with proposed projects that are smaller than these size-based criteria can qualitatively discuss anticipated GHG emissions during CEQA review of a project and do not need to quantify GHG emissions.

Plans that may include projects listed in Table 1 can also use the screening criteria. However, if plans include any land uses other than those shown in Table 1, the applicant must use the quantitative 300 MTCO₂e/year screening threshold process described below.

A single-component project (e.g., residence, office, or store) only needs to meet one of the screening criteria. However, each component of a multiple-component project (e.g., residential/retail mixed-use development) must either meet at least one applicable screening criterion that relates to each specific land use (shown in Table 1).

The County presumes a project that is smaller than the size-based screening criteria, absent substantial evidence to the contrary, will have an insignificant impact and will not require further impact analysis.

Table 1. Size-Based Project Screening Criteria

| <u>Project Type</u> | <u>Size-Based Screening Criteria</u> |
|---|--------------------------------------|
| <u>Single-Family Housing</u> ¹ | <u>62,000 sf</u> ² |
| <u>Multi-Family Housing</u> ³ | <u>55,000 sf</u> ² |
| <u>Commercial Space</u> ⁴ | <u>26,000 sf</u> |
| <u>Regional Shopping Center</u> | <u>12,000 sf</u> |
| <u>General Office Building</u> | <u>28,000 sf</u> |

Notes: sf = square feet.

¹ Single-family housing developments are defined as single-family detached homes on individual lots.

² Residential square footage refers to all inhabited square footage on the lot, including any on-site accessory dwelling units (ADUs). Do not include accessory structures (as defined in the County’s development codes). Measure residential square footage as the “gross floor area” per the County’s development codes. Refer to pages 93-94 regarding ADUs.

³ Multi-family housing developments are defined as low-rise multi-family housing complexes, modeled as “Apartments-Low Rise” in CalEEMod.

⁴ Commercial space is modeled as “Office Park” in CalEEMod.

Source: Analysis conducted by Ascent Environmental in 2020.

Projects that do not meet the screening criteria in Table 1 for the following reasons must quantify GHG emissions for comparison with the Screening Threshold:

- Project types or land uses not listed in Table 1.
- Projects that meet or exceed the size-based screening criteria.
- Projects that meet one or more of the land use categories in Table 1, but has additional emissions sources that are not typical of the listed project type (e.g., schools, hotels).
- Projects that meet one or more of the land use categories in Table 1, but have GHG emissions sources that are not included in the emissions included in CalEEMod for the project type (e.g., commercial space with boilers).

Quantitative Approach

The quantitative approach involves the use of CalEEMod or another applicable GHG modeling program to model GHG emissions from the proposed project or plan. CalEEMod is the most typically used model for estimating project-level GHG emissions of land use projects. Refer to Section B.3. of this chapter for information on how to obtain and use CalEEMod. Contact the Santa Barbara County Air Pollution Control District for recommendations on how to calculate emissions for project land uses or types that are not included in CalEEMod.

Staff will compare the quantified GHG emissions against the 300 MTCO₂e/year Screening Threshold. If the estimated GHG emissions are less than the Screening Threshold, staff can conclude that project would have an insignificant environmental impact, and the project would require no further analysis.

The 300 MTCO₂e/year threshold must be strictly applied as a screening threshold. It is not intended to be a threshold of significance. In other words, projects that meet or exceed this emissions level may not propose mitigation measures to reduce emissions below 300 MTCO₂e/year.

The County considers projects or plans with annual GHG emissions less than this numeric Screening Threshold to have an insignificant cumulative impact on global climate change. As discussed above, GHG-related impacts are analyzed as cumulative impacts given that climate change is a global phenomenon. A screening threshold of 300 MTCO₂e/year captures an adequate amount of emissions from new development so as to not interfere with the County's 2030 GHG emissions reduction target as described above. Projects exceeding the screening threshold are required to further analyze and, if necessary, mitigate their emissions to achieve reductions consistent with the County's goals. Thus, the screening threshold ensures that emissions from new development projects consistent with the threshold would not result in a cumulatively considerable contribution to a significant cumulative impact related to GHG emissions.

If substantial evidence shows that a project has unique characteristics that warrant adjustments to the screening threshold approach, the preparer of the environmental document may do so, provided the document sets forth substantial evidence to support/explain the adjustments.

If a project's or plan's estimated GHG emissions meet or exceed the Screening Threshold, staff must analyze the GHG efficiency against the Significance Threshold for potential significant environmental impacts. If the project's estimated GHG emissions (measured in MTCO₂e/year) meet or exceed the Screening Threshold, then proceed to Step 3, Apply the Efficiency-Based Significance Threshold, below.

Projects that meet or exceed the Screening Threshold must compare their GHG emissions against the Significance Threshold for potential significant environmental impacts, as described in Step 3 below.

Step 3: Apply the Efficiency-Based Significance Threshold

The Board adopted an "efficiency" type of threshold to assess the significance of GHG emissions from a land use project or plan. An efficiency threshold identifies a per-capita level of GHG emissions from new development that supports statewide reduction planning efforts (Association of Environmental Professionals 2016).

Projects that meet or exceed the Screening Threshold will apply the recommended efficiency-based Significance Threshold of 3.8 MTCO₂e per service population, per year. Service population is the total number of residents and/or jobs anticipated to be generated by the project. The County based the Significance Threshold on the 2030 GHG emissions reduction target and demographics projections (i.e., population and employment) for the same year.

The County uses the Bay Area Air Quality Management District's (BAAQMD) definition of service population, where service population equals the sum of the number of residents and jobs anticipated to be generated by a project (BAAQMD 2017). The County interprets this definition of service population as the sum of full-time employees and full-time residents of a project. Therefore, projects or plans, regardless of type, should also use this definition in quantifying their GHG emissions efficiency. For example, a hotel project should divide the total annual emissions anticipated to occur in its first year of full operation by the total number of full-time employees

and full-time residents (if any) to calculate the GHG emissions efficiency. Visitors and guests should not be counted toward this project's service population, because they are residents of other locations. Similarly, an elementary school project, while it serves many students, would account for the full-time equivalent staff, but would not include students in its service population, unless they are living on campus.

The Significance Threshold shall apply the sum of the amortized construction emissions (i.e., dividing total construction emissions across all construction years by the number of years the project would operate or a default project lifespan of 30 years) and the estimated annual operational emissions.

Projects with GHG emissions less than the Significance Threshold would normally result in an insignificant impact and, therefore, would not require further analyses or studies. Nonetheless, CEQA Guidelines Section 15064(b)(2) states, "Compliance with the threshold does not relieve a lead agency of the obligation to consider substantial evidence indicating that the project's environmental effects may still be significant." The analyst must consider any substantial evidence as appropriate to the proposed project or plan.

Projects with GHG emissions above the Significance Threshold would normally result in a significant impact and, therefore, would require further analyses and studies, and, if necessary, project modifications or mitigation measures as discussed in Step 4, Apply Mitigation Measures.

Specific Project Considerations

This subsection describes how to assess potential impacts from two specific instances where analysts need to consider unique project circumstances.

1. Projects or Plans That Do Not Meet the Efficiency-based Requirements or Definitions.

The interim thresholds of significance are for general use and should apply to most discretionary projects subject to environmental review that are not industrial stationary source projects. However, the interim thresholds may not be appropriate for unique projects. In such cases, CEQA Guidelines Section 15064.7(c) allows the County to use other thresholds "... on a case-by-case basis as provided in Section 15064(b)(2)." When using thresholds on a case-by-case basis, the practitioner must: (1) set forth substantial evidence in the administrative record for the project, to justify the use of different thresholds; and (2) explain how non-compliance or compliance with these thresholds means that a project would result in significant or insignificant impacts, respectively.

Regarding projects that may not fit within the definitions used in the development of the thresholds and may require a project-specific analysis, the practitioner shall determine which threshold to use based on the project's specific attributes. The efficiency-based Significance Threshold may not apply to specific attributes of a unique or uncommon project or plan type. For example, projects that have a low service population due to limited employment, may have other users that are not included in the definition of service population (e.g., schools, hotels, and community centers) that should be considered in the evaluation of impacts. In such a case, the practitioner can consider using the numeric screening threshold of 300 MTCO₂e/year as a threshold of significance; however, the County shall make the determination on a case-by-case basis using substantial evidence set forth in the administrative record for the project.

2. Accessory Dwelling Units as Part of a Proposed Subdivision or Discretionary Housing Project.

CEQA Guidelines Section 15268, Ministerial Projects, subsection (a), states that ministerial projects are exempt from the requirements of CEQA. However, CEQA Guidelines Section 15268(d) states, “Where a project involves an approval that contains elements of both a ministerial action and a discretionary action, the project will be deemed to be discretionary and will be subject to the requirements of CEQA.”

Government Code Section 65852.2(a)(3) requires jurisdictions to consider and approve a proposed ADU or a junior accessory dwelling unit [JADU] ministerially without discretionary review. Therefore, ADUs and JADUs not associated with a subdivision or other discretionary project are exempt from CEQA and the GHG analysis and thresholds in this chapter. In contrast, ADUs and JADUs that are part of a larger discretionary project are subject to CEQA. In these cases, the County will analyze the ADUs’ and JADUs’ potential environmental impacts in the environmental document for the discretionary project.

If a discretionary housing project with ADUs as part of the project description exceeds the efficiency-based Significance Threshold, staff must seek additional guidance when applying or requiring mitigation measures. Mitigation measures must be applied to the primary residential use (e.g., single-family or multi-family dwelling units) only. ADU legislation limits the restrictions that can be imposed on ADUs, therefore, mitigation such as adding parking or requiring additional design standards would not be allowed by statute. Depending on the impact, it may need to be classified as significant and unmitigatable based on state law and the County must adopt a statement of overriding consideration.

The *Environmental Thresholds and Guidelines Manual* amendment provides step-by-step approaches for two specific instances:

(a) *ADUs as Part of a Discretionary Housing Project*

If ADUs are proposed as part of a discretionary project, and the proposed number and size (square footage) of the ADUs are contained in the project description, then staff must include the ADUs when applying the Screening Threshold. Table 1 provides direction on how to include ADUs when applying the size-based project screening criteria. Specifically, staff must:

- Select the appropriate project type (single-family housing or multi-family housing),
- Include the total square footage of any ADUs in the total size of the proposed project, and
- Measure residential square footage as the “gross floor area” per the County’s development codes.

(b) *ADUs as Part of a Proposed Residential Subdivision*

If a proposed discretionary project does not include proposed housing development concurrently, then the County may make the following assumptions regarding future development of ADUs on the newly formed residential parcels for purposes of environmental review:

- Assume that 25 percent of the future residential parcels will contain ADUs.

- Assume that the average ADU will be 800 square feet in size.
- Assume that any future JADUs will be conversions of existing development, so there will be no additional square footage allotted to JADUs.

P&D staff based the above assumptions on (1) residential subdivisions permitted within the past 10 years in the unincorporated county areas that had subsequent ADU development, and (2) ADU/JADU permit applications since adoption of county and state ordinances allowing for ADUs/JADUs. P&D staff will recommend that the above approach regarding ADUs/JADUs be adjusted if the County experiences a dramatic change in actual ADU/JADU development in the future.

Step 4 – Apply Mitigation Measures

Projects and plans that meet or exceed the Significance Threshold require the implementation of feasible project modifications or mitigation measures. The modifications or mitigation avoid or reduce GHG emissions impacts to an insignificant level (i.e., below the applicable threshold of significance). Ascent prepared a list of potential GHG emission mitigation measures to aid County staff and CEQA practitioners. The list of potential mitigation measures will provide options for different types of land use projects. P&D staff will make the list available to the public. The list will be an informational resource, to be updated as needed during the 2030 CAP process.

Lead agencies should tailor mitigation measures to a project’s characteristics and potential impacts. Mitigation measures should be prioritized to select on-site and then local mitigation options first, then allow for regional or state-wide mitigation measures if on-site and local options are exhausted. The project’s administrative record must provide substantial evidence to support any conclusions regarding whether the mitigation measures would reduce the impacts to an insignificant level or whether the impacts would remain significant and unavoidable. If the project will rely on programmatic mitigation measures, the administrative record for the project must set forth substantial evidence to explain how participation in the program will mitigate project-generated GHG emissions.

Mitigation measures may not always reduce a project’s GHG emissions impacts to an insignificant level. In such cases, CEQA Guidelines Section 15093 requires decision-makers to make a statement of overriding considerations in order to approve the project or plan.

The County recommends that applicants proposing mitigation measures follow the additional criteria below recommended by Santa Barbara County Air Pollution Control District (SBAPCD) (SBAPCD 2020):

- Proposed mitigation measures shall also have established funding mechanisms and be fully implementable.
- Because the proposed threshold relates to GHG emissions, the proposed mitigation measures should target actions that maximize the reduction of GHGs rather than other air pollutants. For example, a mitigation measure that promotes use of low-emissions diesel generators will most effectively reduce emissions of particulate matter and nitrogen oxides; GHG emissions would only be reduced if the equipment was also designed to be more fuel-efficient.
- Proposed mitigation measures should go beyond existing regulatory requirements.

The County has developed a list of recommended mitigation measures for projects exceeding the thresholds of significance. This list is available to applicants upon request and will include resources to help the applicant calculate the effectiveness of the mitigation measure(s). The applicant may also apply applicable mitigation measures recommended by the SBCAPCD, available at www.ourair.org/ghgmitigation-sbc.

e) Revisions and Relation to County Climate Action Plan

The County will update the interim GHG emissions thresholds with revised GHG emissions thresholds after it completes the 2030 CAP. Until the County releases and adopts the updated GHG emissions thresholds, the County shall apply the interim GHG emissions thresholds. The County developed the interim thresholds based on the County's 2030 GHG emission reduction target to reduce the county's emissions to 50 percent below 2007 levels by 2030, which are in line with State GHG reduction goals. By ensuring that new development will not exceed its fair share of emissions by 2030, the thresholds help the County meet its 2030 GHG emissions target.

E. Initial Study Question "b"

Section 4.3.b (Air Quality – Greenhouse Gas Emissions) of the Initial Study Proto asks if the proposed project would “conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases[.]”

County GHG Emission Reduction Plans, Policies, and Regulations

The Board adopted the ECAP in 2015 as the County's GHG emission reduction plan. The County has been implementing the ECAP since 2016 but is not projected to meet the plan's 2020 GHG emission reduction goals, according to the 2016 GHG Emissions Inventory Update and Forecast and the 2017 ECAP Progress Report. The final ECAP progress report will be released in 2021, using data through 2020.

Until the 2030 CAP is adopted, the County considered projects or plans that have emissions below interim thresholds to be consistent with County GHG emission reduction plans. The interim thresholds are part of the County's GHG emissions reduction strategy and were informed by the County's 2030 target. The interim thresholds provide a pathway for projects and plans to show compliance with County goals.

State GHG Reduction Plans, Policies, and Regulations

The Board's 2030 GHG emission reduction goal (50 percent reduction from 2007 levels by the year 2030) is consistent with the State's direction under Senate Bill 32 as codified in the California Health and Safety Code, Division 25.5, Part 4, Section 38566 (40 percent reduction below 1990 levels by 2030). CARB's 2017 Scoping Plan (CARB, 2017) describes the State's strategy for achieving California's 2030 GHG emission reduction target. The 2017 Scoping Plan does not prescribe or require specific actions by local government agencies; rather, the Scoping Plan provides guidance to local agencies and CARB supports programs that assist local agencies. Local government efforts to reduce emissions within their jurisdiction are critical to achieving the State's long term GHG goals, and can also provide important co-benefits, such as improved air quality, local economic benefits, more sustainable communities, and an improved quality of life.

CARB recommends statewide targets of no more than six MTCO₂e per capita by 2030, and no more than two MTCO₂e per capita by 2050. The statewide per capita targets account for all emissions sectors in the State, statewide population forecasts, and the statewide reductions necessary to achieve the 2030 statewide target under SB 32 and the longer term State emissions reduction goal of 80 percent below 1990 levels by 2050. This limit represents California's and these other governments' recognition of their

“fair share” to reduce GHG emissions to the scientifically based levels to limit global warming below two degrees Celsius.

CARB recommends that local governments evaluate and adopt robust and quantitative locally-appropriate goals that align with the statewide per capita targets and the State’s sustainable development objectives and develop plans to achieve the local goals.

The County’s interim GHG emission efficiency threshold is considerably lower than the State’s 2030 per capita target. Therefore, analysts can apply the County’s interim threshold with confidence that it aids the State in achieving its target, as well.

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