



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Planning and
Development
Department No.: 053
For Agenda Of: 01/26/2021
Placement: Departmental
Estimated Time: 1 hour
Continued Item: No
If Yes, date from: N/A
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Lisa Plowman, Director, Planning and Development
Director (805) 568-2086
Contact Info: Daniel T. Klemann, Deputy Director, Long Range Planning
(805) 568-2072

SUBJECT: Interim Greenhouse Gas (GHG) Emissions Thresholds of Significance

County Counsel Concurrence

As to form: Yes

Other Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors (Board):

- a) Determine that the proposed amendment to Chapter 11, GHG Emissions, of the *Environmental Thresholds and Guidelines Manual* (County of Santa Barbara, Planning and Development (P&D), September 2020) is not a project pursuant to California Environmental Quality Act Guidelines (CEQA Guidelines) Sections 15060(c)(3), 15378(b)(5), and 15064.7(b) (Attachment 1); and
- b) Adopt a resolution approving the proposed amendment to the *Environmental Thresholds and Guidelines Manual* to include new interim thresholds for determining the significance of impacts from GHG emissions from land use projects and plans in compliance with CEQA Guidelines Section 15064.4, Determining the Significance of Impacts from GHG Emissions (Attachment 2).

Please refer the matter to staff if the Board takes other than the recommended actions for the development of appropriate materials.

Summary Text:

CEQA requires the County and other lead agencies to analyze and determine the significance of GHG emissions-related impacts from projects that are not exempt from CEQA. The County adopted a GHG emissions threshold of significance for industrial stationary source projects (e.g., oil, gas, mining, and

Auditor-Controller Concurrence

As to form: N/A

renewable energy) in 2015. However, the County does not have a threshold of significance for land use projects or plans not subject to the industrial stationary source threshold.

As part of the upcoming 2030 Climate Action Plan, County staff will propose final thresholds of significance for evaluating cumulative impacts from GHG emissions. Staff expects to complete the 2030 Climate Action Plan in 2022. In the meantime, P&D recommends that the Board adopt interim thresholds for non-industrial stationary source projects. Although adoption of interim thresholds is not mandated by CEQA, the interim thresholds will assist the County in complying with CEQA Guidelines Section 15064.4 regarding the evaluation of impacts from GHG emissions. CEQA Guidelines Section 15064.4 states that lead agencies must “describe, calculate or estimate the amount of GHG emissions resulting from a project.” The interim thresholds will also streamline the environmental review process and help meet the 2030 GHG emissions reduction target set by the Board on July 7, 2020 (50 percent reduction by 2030, based on 2007 levels).

Staff recommends two interim thresholds—a Screening Threshold and Significance Threshold—for land use projects and plans. The Screening Threshold equates to 300 metric tons of carbon dioxide equivalent (MTCO_{2e}) per year. Land use projects and plans with GHG emissions below the Screening Threshold would have an insignificant impact from GHG emissions and, therefore, would not require further analysis. If a project or plan exceeds the Screening Threshold, County staff will apply the Significance Threshold. The Significance Threshold is an “efficiency” threshold of 3.8 MTCO_{2e} per year, per the service population of the project or plan. County staff will generally conclude that a project will have a significant environmental impact due to GHG emissions if it exceeds the Significance Threshold. P&D staff proposes to amend the County *Environmental Thresholds and Guidelines Manual* (Attachment 2, Exhibits 1 and 2) to set forth the interim thresholds and provide a step-by-step process for CEQA practitioners to apply the interim thresholds.

Background:

Climate Action Planning

The Board adopted the County’s Energy and Climate Action Plan (ECAP) and certified an accompanying Environmental Impact Report (EIR) in May, 2015. The ECAP set a target of reducing GHG emissions 15 percent by 2020 in the unincorporated county (using 2007 as the baseline year).

On December 11, 2018, the Board directed staff to update the ECAP to account for future GHG emissions reductions and climate adaptation efforts. The Community Services Department, Sustainability Division, initiated an update to the ECAP in July, 2020, which will be the 2030 Climate Action Plan. The Climate Action Plan will employ a regional approach and incorporate climate resiliency measures, in addition to GHG emission reduction measures, to meet the County’s new GHG emissions reduction target (50 percent reduction by 2030, based on 2007 baseline levels). The Climate Action Plan will be a qualified GHG emissions reduction plan in accordance with CEQA Guidelines Section 15183.5, with a program EIR allowing for streamlined review of future projects. The Climate Action Plan will incorporate final GHG emissions thresholds of significance by modifying the interim thresholds as necessary to account for future actions taken to reduce GHG emissions by the year 2030.

Current Practice to Assess GHG Emission Significance

After the Board adopted the ECAP, P&D often relied on the ECAP’s EIR when conducting project-level CEQA analysis of non-industrial stationary source projects to streamline environmental review. However, pursuant to requirements set forth in the ECAP, in 2017 P&D commissioned a GHG emissions inventory to track the County’s progress toward its 2020 GHG emissions reduction target. The inventory concluded that the County was not on track to meet this target, indicating that the EPAC’s mitigation measures were not effectively mitigating the cumulative impacts of GHG emissions. For this reason, and

since 2020 has concluded, County staff no longer relies on (i.e., tiers from) the ECAP's EIR for project-specific environmental review.

Therefore, County staff and other CEQA practitioners currently assess the significance of GHG emissions for project-level review on a case-by-case basis. Case-by-case assessment often requires special technical studies, such as traffic studies or energy assessments. CEQA practitioners must also model anticipated project-level GHG emissions using the California Emissions Estimator Model (CalEEMod) or other emissions model. Therefore, the current method increases costs to project applicants, can be unnecessarily unpredictable, and lengthens the environmental review period.

Interim Threshold Development Methodology and Application

Staff and its consultant, Ascent Environmental (Ascent), prepared the interim thresholds based on recent case law, CEQA Guidelines, and other relevant guidance. To establish a baseline and aid in forecasting future development, P&D and Ascent evaluated over 7,000 historic County permits and related environmental documents issued over a 10-year period (2010-2019). Approximately 65 percent of the historic County projects emitted less than 100 MTCO₂e/year per project.

Ascent used the resulting list of historical projects and their estimated emissions to estimate (1) the average annual number of projects that the County approved, and (2) the average annual operational emissions associated with those projects. The County approves an average of 22 discretionary projects a year that would be subject to the interim thresholds, emitting an average of 85 MTCO₂e/year per project. Ascent used these averages to represent cumulative business-as-usual emissions from anticipated new development through 2030. All new development constructed by 2030 would need to collectively emit no more than 24,680 MTCO₂e in 2030 in order to meet the County's 2030 GHG emission reduction target.

P&D considered several numeric threshold alternatives ranging from 50 to 500 MTCO₂e/year. P&D also considered different types of thresholds, such as numeric, efficiency, and "best management practices" thresholds. Based on the data analysis and 2030 GHG emissions reduction target, P&D staff recommends interim thresholds that will allow the County to reduce future GHG emissions from new development in alignment with the County's 2030 GHG emission reduction target. Staff recommends two interim thresholds—a Screening Threshold and Significance Threshold—for land use projects and plans.

The interim thresholds apply to non-exempt discretionary projects under CEQA—specifically, land use projects (residential and non-residential) as well as land use plans (e.g., specific plans, community plans, or master plans). 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).

Refer to Chapter 11, Greenhouse Gas Emissions, of the *Environmental Thresholds and Guidelines Manual* (Attachment 2, Exhibits 1 and 2), the Interim GHG Emissions Threshold Justification Memorandum (Attachment 3), and the Planning Commission staff report (Attachment 4) for additional details, instructions, and background information.

Screening Threshold

P&D staff recommends applying a numeric Screening Threshold of 300 MTCO₂e/year to non-industrial stationary source projects and plans. Approximately 85 percent of future projects would fall below the Screening Threshold and, therefore, would not require further analysis. Approximately 15 percent of future projects, and 87 percent of all future land-use emissions, would equal or exceed the Screening Threshold and, therefore, would be subject to the Significance Threshold.

CEQA practitioners 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, as follows.

Qualitative Approach

Table 1 lists types and sizes of projects that P&D staff estimate will emit less than 300 MTCO_{2e}/year, by the year 2030. The methodology 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 analysis.

For project types not listed in Table 1, or for projects that equal or exceed the size-based screening criteria, staff will determine the need for further GHG analysis and mitigation on a project-specific basis by using the quantitative approach described below.

Table 1. Size-Based Project Screening Criteria

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

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.

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.

Quantitative Approach

CEQA practitioners choosing the quantitative approach will use CalEEMod or another applicable GHG modeling program to calculate GHG emissions from the proposed project. If the estimated GHG emissions are less than the 300 MTCO_{2e}/year Screening Threshold, the practitioner can conclude that a project would have an insignificant environmental impact, and the project would require no further analysis.

Projects that meet or exceed the Screening Threshold must compare their GHG emissions against the Significance Threshold for potential significant environmental impacts.

Significance Threshold:

P&D staff recommends an “efficiency” type of threshold to assess the significance of GHG emissions from a land use project or plan that would equal or exceed the Screening Threshold. An efficiency threshold identifies a per-capita level of GHG emissions from new development that supports statewide reduction planning efforts.

Staff recommends a Significance Threshold of 3.8 MTCO_{2e} per service population, per year. Service population is the total number of residents and/or jobs anticipated to be generated by the project. Ascent based the recommended Significance Threshold on the County’s 2030 GHG emissions reduction target and demographics projections (i.e., population and employment) for the same year.

If a project or plan's GHG emissions are less than the Significance Threshold, the County will consider the project or plan to have an insignificant environmental impact, and no further analysis will be required. If a project or plan equals or exceeds the Significance Threshold, mitigation measures will apply to reduce GHG emissions below the level of significance when possible.

Mitigation Measures

Project modifications or mitigation will aim to 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 CEQA practitioners (Attachment 5). The list of potential mitigation measures provides options for different types of land use projects, with on-site options described in detail before off-site options are presented. The list is an informational resource, to be updated or revised as needed by the 2030 Climate Action Plan.

Lead agencies should tailor mitigation measures to a project's characteristics and potential impacts. If GHG emission impacts remain significant and unavoidable after applying feasible mitigation measures, decision-makers would need to adopt a statement of overriding considerations to approve the project.

Industrial Stationary Source CEQA Threshold

On May 19, 2015, the Board adopted a numerical threshold of significance of 1,000 MTCO_{2e}/year for GHG emissions from industrial stationary source facilities. The numerical threshold applies to oil, gas, mining, and renewable energy projects.

P&D is not amending the industrial stationary source threshold as part of the recommended interim thresholds. However, P&D staff propose minor revisions to the industrial stationary source threshold portion of the *Environmental Thresholds and Guidelines Manual* amendment in light of the ECAP effectively expiring since 2020 has concluded. The revisions include:

- Removing the requirement that the P&D Director re-examine the threshold every five years to instead state that the P&D Director "shall re-examine this threshold as needed to ensure its consistency with evolving GHG reduction progress, plans, targets, and regulations." This revision gives the Director more flexibility to determine when changes in the best available science, environmental conditions, technology, or other conditions warrant reconsideration of the industrial stationary source threshold.
- Eliminating the requirement that industrial stationary source projects demonstrate compliance with the emission reduction measures of the ECAP. Industrial stationary sources that equal or exceed the significance threshold will still be required to implement mitigation measures to reduce GHG emissions below the level of significance where feasible.

The industrial stationary source threshold portion of the *Environmental Thresholds and Guidelines Manual* may be updated, if necessary, as part of the 2030 Climate Action Plan to ensure consistency with the adopted plan.

County Planning Commission Review

The County Planning Commission reviewed the proposed amendments on November 4 and 12, 2020. The County Planning Commission recommended (5 to 0 vote) that the Board adopt the proposed amendment to the *Environmental Thresholds and Guidelines Manual* (Attachment 6), with no recommended modifications.

Environmental Review

The proposed amendment to the *Environmental Thresholds and Guidelines Manual* is not a project pursuant to CEQA Guidelines Sections 15060(c)(3), 15378(b), and 15064.7. Therefore, environmental review is not required. Please refer to the Notice of Exemption for additional information (Attachment1).

Fiscal and Facilities Impacts:

Budgeted: Yes

Funding for this project is budgeted in P&D's Long Range Planning Division Budget Program on page D-294 of the County of Santa Barbara Adopted Budget, Fiscal Year 2020-2021. To date, staff time to prepare the proposed amendment totals approximately 1,152 hours (\$96,000.00). In addition, professional services costs total approximately \$96,000.00. There are no facilities impacts.

Special Instructions:

P&D will satisfy all noticing requirements.

The Clerk of the Board shall forward a copy of the minute order and an executed copy of the resolution to P&D, attention Selena Evilsizor Whitney.

Authored by:

Selena Evilsizor Whitney, Senior Planner, Long Range Planning Division, (805) 568-3577

Attachments:

1. Notice of Exemption
2. Board of Supervisors Resolution to Amend the Environmental Thresholds and Guidelines Manual
 - Exhibit 1. Amended Chapter 11, Greenhouse Gas Emissions, of the Environmental Thresholds and Guidelines Manual
 - Exhibit 2. Clean copy of amended Chapter 11, Greenhouse Gas Emissions, of the Environmental Thresholds and Guidelines Manual
3. Santa Barbara County Interim Greenhouse Gas Thresholds Justification Memorandum, Ascent Environmental, October, 2020
4. County Planning Commission Staff Report dated October 27, 2020
5. List of Potential GHG Mitigation Measures, October, 2020
6. County Planning Commission Action Letter and Resolution dated November 12, 2020