

ENVIRONMENT & HEALTH

MEMO

 Project name
 Greenhouse Gas Thresholds for Sacramento County – Addendum #1

 Project no.
 1690023212-002

 Client
 Sacramento Metropolitan Air Quality Management District

 To
 Karen Huss, SMAQMD

 Paul Philley, SMAQMD

 From
 Shaena Ulissi

 Shari Beth Libicki

 Ramboll

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1 Introduction

In April 2020, the Sacramento Air Quality Management District (SMAQMD) adopted updated greenhouse gas (GHG) thresholds of significance to assist lead agencies in determining significance for proposed projects through 2030 and beyond under the California Environmental Quality Act (CEQA) review process. The GHG thresholds include the application of three Best Management Practices (BMPs): BMP 1 – No natural gas; BMP 2 – Electric vehicle ready; and BMP 3 – SB 743 Consistency.¹ If applicants cannot or choose not to incorporate the required BMPs, they may propose alternative GHG reduction strategies that achieve equivalent reductions, provided that they are surplus to the reductions needed to achieve the State's targets. This addendum clarifies how measures that reduce vehicle miles traveled (VMT) may reasonably be applied as alternative GHG reduction strategies without double-counting emissions reductions that are embedded within the California Air Resources Board (CARB) 2017 Scoping Plan.

2 Projects should not claim additional GHG reductions for locating in area with low VMT.

BMP 3 is meant as a "yes-or-no" threshold; either a project is consistent with SB 743 due to its design and location, or a project needs to pursue additional VMT reduction measures to try to achieve the target. Projects located in areas with low existing per capita VMT likely result in lower GHG emissions than similar projects in areas with higher per capita VMT. These lower expected emissions are the reason that such projects would be consistent with BMP 3 without requiring specific efforts to reduce VMT. However, projects may not take further credit for the inherent difference in GHG emissions from their location's relatively low per capita VMT compared to the county or citywide average per capita VMT.

SACOG'S MTP/SCS modeling incorporates passenger and transit trip rates and trip lengths that vary by hex-level parcel location depending on the availability of

Ramboll 2200 Powell Street Suite 700 Emeryville, CA 94608 USA

T +1 415 796 1950 https://ramboll.com

¹ The Greenhouse Gas Thresholds for Sacramento County justification document "GHG Thresholds Justification", section 5, describes the BMPs in more detail. Available at: <u>http://www.airquality.org/LandUseTransportation/Documents/SMAQMDGHGThresholds202</u> <u>0-03-04v2.pdf</u>.



nearby amenities, job centers, transit access, and other embedded assumptions that represent existing and future transportation patterns.² To meet the MTP/SCS target and be on track to meet the Scoping Plan goals requires a decrease in VMT per capita from both new and existing developments and does not allow for backsliding where VMT increases at existing locations. The 2035 MTP/SCS goal is that <u>total</u> (existing plus new development) VMT per capita is reduced by approximately 15 percent below 2005 conditions; while the CARB SB 743-aligned goal shows that total VMT per capita would be reduced by approximately 15 percent below existing 2015-2018 conditions by 2030. These projections are described further in the GHG Threshold Justification. To satisfy either target, new developments in locations with low existing VMT per capita may not take credit for the gap between their relatively low VMT and the regional VMT targets. These projects already gain the benefit of consistency with BMP 3 without the need for additional mitigation. As described below, projects that are inherently low-VMT can still take credit for additional measures that further reduce VMT.

3 Projects can quantify additional GHG reductions for measures that further reduce VMT or transportation-related GHG emissions.

If a project implements measures that are not required by the regulations and projections included in the 2017 Scoping Plan and these measures reduce transportation-related GHG emissions, the GHG reductions may be quantified and used as alternative mitigation for the non-VMT related BMPs.

For example, take a new project set in a location with low VMT per capita. As described above, it would not be appropriate for this project to take credit for GHG emissions reductions associated with simply being located in this area compared to the regional average, because the VMT projections and modeling to be consistent with the Scoping Plan and SACOG's MTP/SCS already assume that any projects at this location have relatively low VMT per capita with no additional burden on the project compared to a similar project in a location with higher VMT per capita. However, if this project provides its residents or employees with transit passes, unbundles parking, increases bus service, or includes other strategies that decrease passenger vehicle use beyond requirements, the reduction in GHG emissions due to further reduced VMT can be quantified.³ Similarly, if the project provides electric vehicle charging stations on-site or off-site fully installed beyond code requirements, the reduction in GHG emissions due to vehicle electrification can be quantified. The resulting emissions reductions may be used to offset or partially offset emissions for another BMP. For example, these reductions can be used to partially offset the emissions from natural gas for cooking, if the project declines to fully adopt BMP 1.

4 If projects use alternative measures to BMPs, they should still demonstrate consistency with long-term targets.

As described above and in the GHG Thresholds Justification, projects have many options for proposing alternative GHG reduction measures to fulfill the goals of the BMPs to meet the State's 2030 GHG

² SACOG Residential VMT updated May 26, 2021 to include outside-the-region VMT by SACOG residents. Available at: <u>http://sb743-sacog.opendata.arcgis.com/</u>.

³ Quantification methodology may be based on Project-specific information; or the 2010 CAPCOA Mitigation Manual, available at: <u>http://www.capcoa.org/wp-content/uploads/downloads/2010/09/CAPCOA-Quantification-Report-9-14-Final.pdf;</u> or the updated manual, "Handbook for Analyzing GHG Emission Reductions, Assessing Climate Vulnerabilities, and Advancing Health and Equity", August 2021 discussion draft available at: http://www.airguality.org/businesses/cega-land-use-planning/ghg-handbook-caleemod.



target. In any case, projects must continue to demonstrate consistency with the 2045 state goals. As described in the GHG Thresholds Justification,

"Thus at a minimum, for purposes of evaluating consistency with 2045 statewide carbon neutrality, a project would need to eliminate natural gas completely or require all pre-wiring necessary so that the building is ready for a future retrofit to all-electric, and in regions with relatively high VMT per capita (e.g., suburban and greenfield developments) to provide sufficient electrical capacity such that 100% of project vehicles have the potential to be zeroemission vehicles. Additionally, the project would be required to qualitatively show that it is not otherwise impeding the 2045 statewide carbon neutrality goal."