



# San Gabriel Valley Council of Governments\*

## AGENDA AND NOTICE OF THE REGULAR MEETING OF THE PLANNING DIRECTORS' TECHNICAL ADVISORY COMMITTEE

Thursday, June 24, 2021 – 12:00 PM

Zoom Link: <https://zoom.us/j/91592962388>

Livestream Available: <https://youtu.be/fz90eP-uVmw>

Chair  
**Craig Hensley**  
City of Duarte

Vice-Chair  
**Brad Johnson**  
City of Claremont

**Members**  
*Alhambra*  
*Arcadia*  
*Azusa*  
*Baldwin Park*  
*Claremont*  
*Covina*  
*Diamond Bar*  
*Duarte*  
*El Monte*  
*Glendora*  
*Irwindale*  
*La Verne*  
*Monrovia*  
*Montebello*  
*Monterey Park*  
*Pasadena*  
*Pomona*  
*Rosemead*  
*San Dimas*  
*San Gabriel*  
*Sierra Madre*  
*South El Monte*  
*South Pasadena*  
*Temple City*  
*L.A. County DRP*

Thank you for participating in today's meeting. The Planning Directors' Technical Advisory Committee encourages public participation and invites you to share your views on agenda items.

**MEETINGS:** *Regular Meetings of the Planning Directors' Technical Advisory Committee are held on the fourth Thursday of each month at 12:00 PM at the Monrovia Community Center (119 West Palm Avenue, Monrovia, CA 91016).* The Planning Directors' Technical Advisory Committee agenda packet is available at the San Gabriel Valley Council of Government's (SGVCOG) Office, 1000 South Fremont Avenue, Suite 10210, Alhambra, CA, and on the website, [www.sgvkog.org](http://www.sgvkog.org). Copies are available via email upon request ([sgv@sgvcog.org](mailto:sgv@sgvcog.org)). Documents distributed to a majority of the Committee after the posting will be available for review in the SGVCOG office and on the SGVCOG website. Your attendance at this public meeting may result in the recording of your voice.

**CITIZEN PARTICIPATION:** Your participation is welcomed and invited at all Planning Directors' Technical Advisory Committee meetings. Time is reserved at each regular meeting for those who wish to address the Board. The SGVCOG requests that persons addressing the Committee refrain from making personal, slanderous, profane, or disruptive remarks.

**TO ADDRESS THE PLANNING DIRECTORS' TECHNICAL ADVISORY COMMITTEE:** At a regular meeting, the public may comment on any matter within the jurisdiction of the Committee during the public comment period and may also comment on any agenda item at the time it is discussed. At a special meeting, the public may only comment on items that are on the agenda. Members of the public wishing to speak are asked to complete a comment card or simply rise to be recognized when the Chair asks for public comments to speak. We ask that members of the public state their name for the record and keep their remarks brief. If several persons wish to address the Committee on a single item, the Chair may impose a time limit on individual remarks at the beginning of discussion. **The Planning Directors' Technical Advisory Committee may not discuss or vote on items not on the agenda.**

**AGENDA ITEMS:** The Agenda contains the regular order of business of the Planning Directors' Technical Advisory Committee. Items on the Agenda have generally been reviewed and investigated by the staff in advance of the meeting so that the Committee can be fully informed about a matter before making its decision.

**CONSENT CALENDAR:** Items listed on the Consent Calendar are considered to be routine and will be acted upon by one motion. There will be no separate discussion on these items unless a Committee member or citizen so requests. In this event, the item will be removed from the Consent Calendar and considered after the Consent Calendar. If you would like an item on the Consent Calendar discussed, simply tell Staff or a member of the Planning Directors' Technical Advisory Committee.



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SGVCOG office at (626) 457-1800. Notification 48 hours prior to the meeting will enable the SGVCOG to make reasonable arrangement to ensure accessibility to this meeting.



**\*MEETING MODIFICATIONS DUE TO THE STATE AND LOCAL STATE OF EMERGENCY RESULTING FROM THE THREAT OF COVID-19:** On March 17, 2020, Governor Gavin Newsom issued Executive Order N-29-20 authorizing a local legislative body to hold public meetings via teleconferencing and allows for members of the public to observe and address the meeting telephonically or electronically to promote social distancing due to the state and local State of Emergency resulting from the threat of the Novel Coronavirus (COVID-19).

To follow the new Order issued by the Governor and ensure the safety of Committee Members and staff for the purpose of limiting the risk of COVID-19, in-person public participation at the Planning Directors' Technical Advisory Committee meeting scheduled for June 24, 2021 at 12:00 p.m. will not be allowed. To allow for public participation, the Planning Directors' Technical Advisory Committee will conduct its meeting through Zoom Video Communications. To participate in the meeting, download Zoom on any phone or computer device and copy and paste the following link into your browser to access the live meeting: <https://zoom.us/j/91592962388>. You may also access the meeting via the livestream link on the front of the agenda page.

Submission of Public Comments: For those wishing to make public comments on agenda and non-agenda items you may submit comments via email or by Zoom.

- Email: Please submit via email your public comment to SGVCOG Management Analyst, Alexander Fung, at [afung@sgvcog.org](mailto:afung@sgvcog.org) at least 1 hour prior to the scheduled meeting time. Please indicate in the Subject Line of the email "FOR PUBLIC COMMENT." Emailed public comments will be read into the record and will be part of the recorded meeting minutes. Public comment may be summarized in the interest of time, however the full text will be provided to all members of the Committee prior to the meeting.
- Zoom: Through Zoom, you may speak by using the web interface "Raise Hand" feature. Wait to be called upon by staff, and then you may provide verbal comments for up to 3 minutes. Public comment is taken at the beginning of the meeting for items not on the agenda. Public comment is also accepted at the beginning of each agenda item.

Any member of the public requiring a reasonable accommodation to participate in this meeting should contact SGVCOG Management Analyst, Alexander Fung, at least 48 hours prior to the meeting at (626) 457-1800 or at [afung@sgvcog.org](mailto:afung@sgvcog.org).

**PRELIMINARY BUSINESS**

**3 MINUTES**

1. Call to Order
2. Roll Call
3. Public Comment (*If necessary, the Chair may place reasonable time limits on all comments*)
4. Changes to Agenda Order: Identify emergency items arising after agenda posting and requiring action prior to next regular meeting (*It is anticipated that the Committee may take action on the following matters*)

**CONSENT CALENDAR**

**2 MINUTES**

*(It is anticipated that the Committee may take action on the following matters)*

5. Planning Directors' TAC Meeting Minutes – 05/27/2021 (**Page 1**)  
*Recommended Action: Review and approve.*
6. FY 2021-2022 Planning Directors' TAC Chair and Vice Chair Elections  
*Recommended Action: Elect Craig Hensley from the City of Duarte as the FY 2021-2022 Planning Directors' TAC Chair and Brad Johnson from the City of Claremont as the FY 2021-2022 Planning Directors' TAC Vice Chair.*

**UPDATE ITEM**

**10 MINUTES**

*(It is anticipated that the Committee may take action on the following matters)*

7. 2021 San Gabriel Valley Energy Champion Awards Progress Updates – Ana Bordallo, Management Aide, SGVCOG (**Page 5**)  
*Recommended Action: For information only.*

**PRESENTATIONS**

**40 MINUTES**

*(It is anticipated that the Committee may take action on the following matters)*

8. Electric Reach Codes Overview – Joshua Torres, Senior Policy Advisor, Southern California Edison (**Page 9**)  
*Recommended Action: For information only.*
9. AQMD Warehouse Indirect Source Rule – Kalam Cheung, Planning, Rule Development and Area Sources Program Supervisor, South Coast Air Quality Management District & Ian MacMillan, Planning, Rule Development and Area Sources Assistant Deputy Executive Officer, South Coast Air Quality Management District (**Page 10**)  
*Recommended Action: For information only.*

**STAFF ANNOUNCEMENT**

**5 MINUTES**

10. Next Committee Meeting  
*Recommended Action: For information only.*

**ANNOUNCEMENTS**

**ADJOURN**



**SGVCOG Planning Directors' TAC Regular Meeting Minutes**

Date: May 27, 2021  
Time: 12:00 PM  
Location: Zoom Virtual Meeting

**PRELIMINARY BUSINESS**

1. Call to Order  
C. Hensley called the meeting to order at 12:01pm.
  
2. Roll Call  
**A quorum was in attendance.**

**Committee Members Present**

Alhambra	P. Lam
Arcadia	L. Flores
Baldwin Park	R. Garcia
Covina	M. Lugo
Diamond Bar	G. Lee
Duarte	C. Hensley, J. Golding
El Monte	J. Mikaelian, T. Bu
Glendora	M. Carnahan
Irwindale	M. Simpson
La Verne	E. Scherer
Monrovia	S. Bermejo
Montebello	J. Serrano
Monterey Park	J. Moquin
Pasadena	D. Sanchez
Pomona	A. Gutierrez
Rosemead	L. Valenzuela
San Gabriel	A. Alvarado, M. Chang, S. Tewasart
Sierra Madre	V. Gonzalez
South El Monte	I. McAleese, R. Pelayo
South Pasadena	M. Lin
Temple City	S. Reimers
L.A. County DRP	J. Drevno

**Absent**

Azusa  
Claremont  
San Dimas

**Guests**

Caltrans	C. Trinh
The Arroyo Group	M. Munoz
The Arroyo Group	P. Burns
Cong. Land Committee	J. Shook
Cong. Land Committee	A. White

**SGVCOG Staff**

M. Creter, Executive Director  
C. Sims, Staff  
K. Ward, Staff  
S. Pedersen, Staff

3. Public Comment  
There were no public comments at this meeting.

4. Changes to Agenda Order  
There were no changes to the agenda.

**CONSENT CALENDAR**

5. Review Planning Directors' TAC Meeting Minutes: 04/22/2021  
*Action: Review and approve.*

**There was a motion to approve consent calendar item 5. (M/S: S. E. Scherer/S. Reimers)**

**[Motion Passed]**

<b>AYES:</b>	Alhambra, Arcadia, Baldwin Park, Diamond Bar, Duarte, Glendora, La Verne, Monrovia, Monterey Park, Pasadena, Pomona, San Gabriel, Sierra Madre, South El Monte, South Pasadena, Temple City, L.A. County DRP
<b>NOES:</b>	
<b>ABSTAIN:</b>	
<b>NO VOTE RECORDED:</b>	Covina, El Monte, Irwindale, Montebello, Rosemead
<b>ABSENT:</b>	Azusa, Claremont, San Dimas

**DISCUSSION ITEM**

6. AB 787 (Gabriel)  
SGVCOG Principal Management Analyst, Caitlin Sims, provided a presentation on this item. Existing law requires the planning agency of a city or county to provide an annual report that includes specific information by April 1<sup>st</sup> of each year to specified entities, including the California Department of Housing and Community Development. This report includes the progress in meeting the city's or county's share of regional housing needs and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing. AB 787, introduced by Assemblymember Jesse Gabriel (D-Calabasas), would authorize a planning agency to include in its annual report the number of units in an existing multifamily building that were converted to deed-restricted rental housing for very low-, low-, or moderate-income households by the imposition of affordability covenants and restrictions for the unit.

Key Questions/Discussions:

- C. Hensley commented that gaining funding for conversions into affordable restricted units is difficult and expressed support for this bill.

**PRESENTATIONS**

7. Affordable Housing Collaborations with Churches and Religious Institutions  
Representatives from the Congregational Land Committee and the Arroyo Group provided a presentation on this item. Congregations and religious institutions have a unique opportunity to provide affordable housing services and support for individuals experiencing homelessness, as many congregations already provide meals, services, and outreach ministries to these individuals. Congregations with excess built space can be

adapted into various forms of housing units. Examples are educational buildings and social halls that have been leased to external groups in the past, with income used for church operations. Additionally, some congregations own single-family homes or parsonages that can add an accessory dwelling unit (ADU) to provide additional housing units. Congregations can also modify their single-family homes for a shared housing model that can be used for rapid re-housing and transitional housing services. Given that zoning laws in many cities do not allow religious congregations to build housing on their land, such laws would need to be amended to allow churches to build affordable housing.

Key Questions/Discussions:

- C. Hensley commented that the use of overlays can greatly assist with addressing issues with developing affordable housing units.
  - S. Bermejo inquired about the management entity of affordable housing units on congregational lands. A. White responded that the development project would be managed by the developer. In this case, the congregation can lease the land to the developer and the developer would be responsible for securing the entitlements and financing, implementing the construction, and managing the property.
  - S. Bermejo inquired about the possibility of combining affordable housing units with children care facilities on congregational lands. A. White responded that combining affordable housing units with children care facilities on congregational lands is possible, but depends on local zoning codes and the scale of the project. Projects combined with office space, retail space, or educational/school space can also be paired with affordable housing units on congregational lands. J. Shook added that churches would need support from the City and external partners to review options, evaluate the communities' need, and develop agricultural plans.
  - S. Reimers inquired about the need of have at least 50 units on the development for the project to proceed. P. Burns responded that low-income tax credit projects require approximately 40-50 units and that HCD's Inventory Guidebook requires sites with 50-150 affordable housing units. A. White added that the public financing programs typically require a minimum of 40-70 units.
  - A. Gutierrez commented that around 5 to 6 churches in Pomona would be interested in proceeding with the idea and inquired about the largest development standards that need to be addressed to help these projects proceed. P. Burns responded that the parking standards is as important as the density standards and that it is important to evaluate the churches' parking usage rates. AB 1851 passed last year to allow half of the churches' parking lots to be redeveloped into housing. Additionally, it is recommended that jurisdictions provide the maximum amount of flexibility possible for churches to accommodate parking requirements.
- 8.** California Department of Transportation District 7 Active Transportation Plan  
Caltrans Senior Transportation Planner, Cuong Trinh, provided a presentation on this item. Caltrans District 7 is currently developing an Active Transportation Plan that will identify locations for pedestrian and bicycle improvements on, across, or parallel to the State Highway System across the Counties of Los Angeles and Ventura. Results of the Plan will inform and assist the implementation of active transportation projects for Los Angeles

County and Ventura County residents and improve accessibility and neighborhood circulation for individuals who walk, bike, and use public transit.

**STAFF ANNOUNCEMENT**

**9. Next Committee Meeting**

The committee is scheduled to reconvene on Thursday, June 24, 2021 at 12:00pm.

**ANNOUNCEMENTS**

There were no additional announcements.

**ADJOURN**

C. Hensley adjourned the Planning Directors' Technical Advisory Committee meeting at 12:59pm.

# REPORT

DATE: June 24, 2021  
TO: Planning Directors' Technical Advisory Committee  
FROM: Marisa Creter, Executive Director  
RE: **2021 SAN GABRIEL VALLEY ENERGY CHAMPION AWARDS**

## **RECOMMENDED ACTION**

For information only.

## **BACKGROUND**

Earlier this year, the SGVCOG launched the 2021 San Gabriel Valley Energy Champion Awards to encourage San Gabriel Valley cities and agencies to implement energy efficiency actions and engage in long-term energy planning activities. Requirements for cities and agencies to receive an award include implementing a combination of activities such as attending energy efficiency trainings and meetings, benchmarking municipal facilities, and conducting energy efficiency outreach activities.

Requirements for the Energy Champion Awards are separated into four separate categories as follows:

<b>Categories</b>	<b>Requirements</b>
Energy Work Group	<b>Silver:</b> Attending 1 Energy Work Group meeting <b>Gold:</b> Attending 2 Energy Work Group meetings <b>Platinum:</b> Attending 3 Energy Work Group meetings
Education & Trainings	<b>Silver:</b> Attend 1 energy efficiency training or provide 1 energy efficiency presentation <b>Gold:</b> Complete a combination of 2 activities that include attending energy efficiency training(s) or providing energy efficiency presentation(s) <b>Platinum:</b> Complete a combination of 3 activities that include attending energy efficiency training(s) or providing energy efficiency presentation(s)
Outreach & Marketing	<b>Silver:</b> Refer 1 entity that has not been previously engaged with the SGVCOG's energy efficiency efforts or implement 1 energy efficiency marketing campaign <b>Gold:</b> Complete a combination of 2 activities that include referring entities that have not been previously engaged with the SGVCOG's energy efficiency efforts or implementing energy efficiency marketing campaigns <b>Platinum:</b> Complete a combination of 3 activities that include referring entities that have not been previously engaged with the SGVCOG's energy efficiency efforts or implementing energy efficiency marketing campaigns
Benchmarking, Audits, and Projects	<b>Silver:</b> Complete 1 of the following menu items <b>Gold:</b> Complete 2 of the following menu items <b>Platinum:</b> Complete 3 of the following menu items  <u>Menu Items:</u>


# REPORT

	<ul style="list-style-type: none"><li>• Collaborate with the SGVCOG, SoCalGas, and the SoCalREN to benchmark all facilities on Energy Star Portfolio Manager or host a Comparative Energy Analysis meeting with the SGVCOG in 2021.</li><li>• Conduct at least 1 municipal facility audit in 2021.</li><li>• Participate in the SoCalGas Direct Install Program.</li><li>• Participate in one of the following SoCalREN programs to install a gas project: Metered Savings Program, Revolving Savings Fund, and Pathway to Zero.</li><li>• Install a gas energy efficiency project in 2020 or 2021.</li><li>• Complete or update an Energy Action Plan.</li><li>• Submit an energy efficiency grant application.</li></ul>
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Jurisdictions have most of the year to complete the necessary requirements to reach the highest tier. Requirements in the “Benchmarking, Audits, and Projects” Category must be completed by November 1, 2021. Requirements in all other categories must be completed by December 1, 2021. Cities and agencies that have reached recognizable tiers by the stated deadlines will receive their awards at the Energy Work Group meeting in December 2021.

The Energy Champion Awards’ most recent progress report can be found in Attachment A. The reports can also be found on the San Gabriel Valley Energy Wise Partnership website at <https://www.sgvenergywise.org/2021-sgv-energy-champion-awards>.

SGVCOG Management Aide, Ana Bordallo, will provide updates on this item.

Prepared by:   
Alexander P. Fung  
Management Analyst

Approved by:   
Marisa Creter  
Executive Director

## ATTACHMENTS

Attachment A – 2021 San Gabriel Valley Energy Champion Awards Progress Report



Alhambra  
Arcadia  
Azusa  
Baldwin Park  
Bradbury  
Claremont  
Covina  
Diamond Bar  
Duarte  
El Monte  
Glendora  
Industry  
Irwindale  
La Cañada Flintridge  
La Puente  
La Verne  
Monrovia  
Montebello  
Monterey Park  
Pasadena  
Pomona  
Rosemead  
San Dimas  
San Gabriel  
San Marino  
Sierra Madre  
South El Monte  
South Pasadena  
Temple City  
Walnut  
West Covina

2021 Energy Champion Award Progress: 6/9/21																			
SILVER LEVEL																			
Attended 1 Energy Work Group meeting in 2021	★				★	★	★	★	★	★	★					★	★	★	★
Attended 1 energy efficiency training OR provided a presentation relating to energy efficiency								★	★		★				★	★	★	★	
Referred 1 agency that has not previously engaged with the SGVCOG's energy efficiency efforts OR implemented an energy efficiency marketing campaign		★			★	•	•								★		•	•	★
Completed 1 of the following: attended a CEA meeting with facilities benchmarked on ESPM OR conducted a municipal audit OR participated in the SoCalGas Direct Install Program OR participated in one of the SoCalREN programs to install a gas project OR installed a gas project in 2020 or 2021									•							•	•	★	
GOLD LEVEL																			
Attended 2 Energy Work Group meeting in 2021	★				★	★	★	★	★		★				★	★		★	★
Attended 2 energy efficiency trainings OR provided presentations relating to energy efficiency OR a combination of the two										★			★		★	★		★	
Referred 2 agencies that have not previously engaged with the SGVCOG's energy efficiency efforts OR implemented energy efficiency marketing campaigns OR a combination of the two																			
Completed 2 of the following: attended CEA meetings with facilities benchmarked on ESPM OR conducted at least 1 municipal audit OR participated in the SoCalGas Direct Install Program OR participated in one of the SoCalREN programs to install a gas project OR installed a gas project in 2020 or 2021																			
PLATINUM LEVEL																			
Attended 3 Energy Work Group Meeting in 2021																			
Attended 3 energy efficiency trainings OR provided presentations relating to energy efficiency OR a combination of the two										★			★		★			★	
Referred 3 agencies that have not previously engaged with the SGVCOG's energy efficiency efforts OR implemented energy efficiency marketing campaigns OR a combination of the two																			
Completed 3 of the following: attended CEA meetings with facilities benchmarked on ESPM OR conducted at least 1 municipal audit OR participated in the SoCalGas Direct Install Program OR participated in one of the SoCalREN programs to install a gas project OR installed a gas project in 2020 or 2021																			
LEGEND:																			
★ = Completed																			
• = In Progress																			



	AQMD	Arcadia USD	Alhambra USD	Azusa USD	Claremont USD	El Monte Union High SD	Foothill Transit	Monrovia USD	Pasadena USD	Pomona USD
<b>2021 Energy Champion Award Progress: 6/9/21</b>										
<b>SILVER LEVEL</b>										
Attended 1 Energy Work Group meeting in 2021						★	★	★	★	★
Attended 1 energy efficiency training OR provided a presentation relating to energy efficiency	★					★	★			
Referred 1 agency that has not previously engaged with the SGVCOG's energy efficiency efforts OR implemented an energy efficiency marketing campaign										
Completed 1 of the following: attended a CEA meeting with facilities benchmarked on ESPM OR conducted a municipal audit OR participated in the SoCalGas Direct Install Program OR participated in one of the SoCalREN programs to install a gas project OR installed a gas project in 2020 or 2021										
<b>GOLD LEVEL</b>										
Attended 2 Energy Work Group meeting in 2021							★			★
Attended 2 energy efficiency trainings OR provided presentations relating to energy efficiency OR a combination of the two						★				
Referred 2 agencies that have not previously engaged with the SGVCOG's energy efficiency efforts OR implemented energy efficiency marketing campaigns OR a combination of the two										
Completed 2 of the following: attended CEA meetings with facilities benchmarked on ESPM OR conducted at least 1 municipal audit OR participated in the SoCalGas Direct Install Program OR participated in one of the SoCalREN programs to install a gas project OR installed a gas project in 2020 or 2021										
<b>PLATINUM LEVEL</b>										
Attended 3 Energy Work Group meeting in 2021										
Attended 3 energy efficiency trainings OR provided presentations relating to energy efficiency OR a combination of the two										
Referred 3 agencies that have not previously engaged with the SGVCOG's energy efficiency efforts OR implemented energy efficiency marketing campaigns OR a combination of the two										
Completed 3 of the following: attended CEA meetings with facilities benchmarked on ESPM OR conducted at least 1 municipal audit OR participated in the SoCalGas Direct Install Program OR participated in one of the SoCalREN programs to install a gas project OR installed a gas project in 2020 or 2021										
<b>LEGEND:</b>										
★ = Completed										
• = In Progress										

# REPORT

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DATE: June 24, 2021  
TO: Planning Directors' Technical Advisory Committee  
FROM: Marisa Creter, Executive Director  
RE: **ELECTRIC REACH CODES OVERVIEW**

## RECOMMENDED ACTION

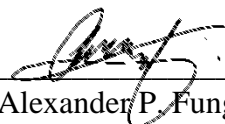
For information only.

## BACKGROUND

On September 18, 2018, Former Governor Brown signed SB 100 and issued an executive order to set a 100% clean energy goal for California and establish a new target to achieve carbon neutrality by 2045. Achieving carbon neutrality will greatly reduce the threat of climate change; however, jurisdictions and communities must engage in rigorous planning to ensure that energy remains safe, affordable, and reliable.

Reach codes are known as local requirements that exceed the State's codes. Such codes can lead to energy and water savings, emissions reductions, and local leadership. These codes are effective and flexible tools for local jurisdictions to achieve local policy objectives. They can also be customized to meet a community's specific clean energy goals.

Southern California Edison (SCE) Senior Policy Advisor, Joshua Torres, will provide a presentation on this item. Upon request, SCE is also available to present this information at city council meetings.

Prepared by:   
\_\_\_\_\_  
Alexander P. Fung  
Management Analyst

Approved by:   
\_\_\_\_\_  
Marisa Creter  
Executive Director

# REPORT

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DATE: June 24, 2021

TO: Planning Directors' Technical Advisory Committee

FROM: Marisa Creter, Executive Director

RE: **AQMD WAREHOUSE INDIRECT SOURCE RULE**

## **RECOMMENDED ACTION**

For information only.

## **BACKGROUND**

Nitrogen Oxides (NO<sub>x</sub>) is the primary pollutant that needs to be reduced to meet federal air quality standards, and mobile sources associated with goods movement make up about 52% of all NO<sub>x</sub> emissions in the South Coast Air Basin. To assess and identify potential actions to further reduce emissions associated with emission sources operating in and out of warehouse distribution centers, the South Coast Air Quality Management District (AQMD) recently adopted new rules to regulate distribution warehouses on May 7, 2021. AQMD aims to achieve a 10% to 15% reduction in pollution emanating from warehouses through these rules.

The Warehouse Indirect Source Rule (Rule 2305) applies to operators and owners of existing and new warehouses with floor space greater than or equal to 100,000 square feet within a single building. The majority of emissions associated with warehouses originate from on-road vehicles, such as trucks, and off-road vehicles, such as cargo handling equipment. Rule 2305 would require warehouses subject to the rule to annually take actions that either reduce emissions or facilitate emission reductions.

Specifically, warehouse operators of warehouses subject to Rule 2305 would be required to reduce emissions using one of the following three methods:

### **Option 1: Warehouse Actions and Investments to Reduce Emissions (WAIRE) Menu**

Warehouse operators must earn a specific number of points each year from emission-reducing activities. Certain actions are assigned a specified number of points based on the WAIRE Menu Structure. The number of annual points that warehouse operators must earn depends upon the number of generated truck trips.

### **Option 2: Custom WAIRE Plan**

An operator may also choose to apply to implement a site-specific custom plan that incorporates actions that are not listed on the WAIRE Menu; however, plan approval is required prior to being able to earn points. Custom plans can include onsite and offsite measures within the control of the operator that can be demonstrated to reduce emissions of NO<sub>x</sub> and/or diesel PM.

### **Option 3: Mitigation Fee**

Warehouse operators may choose to pay a mitigation fee to the AQMD and the funds generated

will be allocated to provide financial incentives for truck owners to purchase NZE or ZE trucks, or for the installation of fueling and charging infrastructure. Funds will be allocated with priority provided for projects in the communities near warehouses that paid the fee.

Additionally, there is limited banking and transferring of points allowed when a warehouse over-complies in any compliance period.

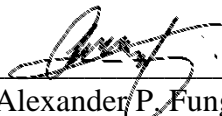
Warehouse operators who are required to comply with Rule 2305 would pay fees as established by Rule 316, which reimburses AQMD for administrative costs associated with ensuring compliance with Rule 2305.


Rule 2305 is phased in over time based on the applicable warehouse size. Once a phase is initiated, the stringency of the rule scales up over a three-year period. with the largest warehouses ( $\geq 250,000$  square feet) phasing in from 2022.

While AQMD's analysis shows that Rule 2305 can potentially increase the cost of goods by approximately 0.05%, it is expected that the Rule will contribute to the following public health benefits through 2031:

- 150 to 300 premature deaths avoided;
- 2,500 to 5,800 asthma attacks avoided;
- 9,000 to 20,000 lost work days avoided; and
- Approximately \$1.2 billion to \$2.7 billion in monetized public health benefits.

As a result, the public health benefits of Rule 2305 are expected to exceed the Rule's compliance costs by approximately 300%. Questions regarding Rules 2305 and 316 can be directed to [waire-program@aqmd.gov](mailto:waire-program@aqmd.gov) or (916) 396-3140.

Prepared by:   
\_\_\_\_\_  
Alexander P. Fung  
Management Analyst

Approved by:   
\_\_\_\_\_  
Marisa Creter  
Executive Director