

Assessing development fees next task for air district

By Adrian Rodriguez, staff writer

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A new fee that targets indirect pollution caused by new developments is scheduled to take effect March 1, but how it will be administered is still an open question.

The San Joaquin Valley Air Pollution Control District approved the fee last year and is holding meetings to determine which projects would be among the first to qualify and specific ways that developers might be able to reduce the fee by incorporating emission-reducing features on site.

Those guidelines have yet to be drawn up, and with the fee taking effect in a matter of weeks, that makes some in the industry worried about indirect costs of their own.

The fee is among the first to target pollution from indirect sources in the Valley -- a task handed down to the Air District with the passing of SB 709. The Indirect Source Review fee requires developers of larger residential, commercial and industrial projects to reduce smog-forming and particulate emissions throughout the Valley by 10.5 tons per day by 2010.

The Air District expects the fees, which top out at about \$780 per unit for residential units of more than 50 units, to generate about \$100 million in emission-reduction funding during the next three years.

There is no argument that the Valley's air quality is poor. The Valley air basin has consistently failed to meet state and federal health-based standards for particulate and ozone, the primary ingredient of smog.

Preliminary data from the air district shows that in 2005, the Valley air basin recorded violations of the federal standards for ozone on 72 days, based on an eight-hour average measurement taken each day.

The indirect source review requires developers to reduce nitrogen oxides by 33 percent and particulate emissions by 50 percent of a project's baseline. If projected emissions still exceed the minimum baseline reductions, a project's developer will mitigate the difference by paying an off-site fee to the Air District, which would then reduce emissions by funding clean-air projects.

Developers had previously argued that the fees are too steep for an industry already seeing cost increases. But Kelly Hogan Malay, spokeswoman for the Air District, said other industries are being asked to play a part in reducing air emissions as well.

"It's not just developers; it's everybody," Malay said. "We have an extensive rule book that requires emissions reductions for all types of businesses, including dry cleaners, bakers, agriculture, dairies and wineries."

But the building industry is unique in that its product is not itself a cause of pollution, she said.

"There's no other industry that has the same type of regulation, because this is the only industry that creates this kind of indirect source emission," she said. "The house, just sitting there, is not a direct source of pollution."

The rule applies to new developments with greater than 50 residential units, 2,000 square feet of commercial space, 10,000 square feet of government space, 20,000 square feet of medical space, 25,000 square feet of industrial or medical space, or 50,000 square feet of general office space.

For residential developments, the fee only adds to the ever-growing cost of owning a home in the Valley, and that prices some out of the market altogether, some developers argue.

But the developer's off-site fee can be reduced by hundreds of dollars if the development incorporates features such as an increased density or increased energy efficiency.

The fee was debated when the Air District made its decision, with building industry representatives citing increased costs and construction delays as the main problems with the prospect of a new fee.

Now that the fee has been approved, builders are looking at how the fee can be reduced with on-site mitigation -- and whether the Air District will be ready to assess the fees without delaying construction, according to Mike Prandini, president of the Building Industry Association in Fresno.

"That's their promise to us: that this will not delay their normal entitlement processing," he said. "As far as it actually happening -- if you get a nice, clean, perfect project, maybe...but [developers] all build differently, provide different amenities and timelines."

The Air District met with industry representatives including the BIA last week, said Tom Jordan, special projects advisor for the Air District.

"We want to do an effective outreach, and they identified issues of concern for them," he said.

Prandini said that although he is confident the fee eventually will be assessed smoothly, it may have a rocky start since the Air District is still working on its implementation plan.

"They are not in the land-use business -- never have been. They comment on things, but their comments have never slowed anyone down," he said. "It's the transition projects that are worried."

Prandini also said he was concerned that the fee might be costing developers for projects that never get built. That's because the fee is assessed when the preliminary maps are approved.

"There are those projects that are approved but never go to the stage of putting a final map in," he said. "They paid a huge fee for the air impacts, and it was never developed."

The Air District's impact on the Valley's air quality may already be evident. The number of times the air quality in the region has exceeded federal safety standards for one-hour ozone averages has dropped during the past three years, with 30 violations recorded in 2003, nine in 2004 and only eight last year.

"It's definitely been improving," Jordan said. "But people shouldn't get the false conception that we're done."

That's because two new federal standards were introduced recently that require even smaller particles in the air to be reduced and taking daily measurements for longer periods.

Kegley Institute sponsors discussion on ethics of land development

Story Courtesy of CSUB Public Relations

The Runner (Cal State Bakersfield), Wednesday, Jan. 18, 2006

Local building industry executives and environmentalists will discuss the ethics of land development at a panel discussion sponsored by the Kegley Institute of Ethics at California State University, Bakersfield.

The panel discussion, scheduled for Tuesday, Jan. 24, at 7 p.m. in the CSUB Student Union multipurpose room, will feature Gordon Nipp, Sierra Club member, David Price, director of Kern County Resource Management Agency, and Brian Todd, the executive vice president of the Kern Building Industry Association. Christopher Meyers, a philosophy professor and director of the Kegley Institute of Ethics, will moderate the discussion, titled "Ethics and Land Development: Balancing Property Rights with Quality of Life."

Meyers said development is probably the most important issue facing metropolitan Bakersfield.

"No other concern has so many issues attached to it, including [air quality](#), traffic, water use, loss of farm land, and destruction of recreational areas. Against all these are the right to control or dispose of one's property as one sees fit, along with the many economic benefits attached to growth," he said. "Cities across the country struggle mightily with these conflicts and yet very few have devised plans that satisfy all parties.

"Our ethics center has long wanted to address the issue and the public squabbles over the Bluffs' development simply made it too urgent to delay any longer. I'm just very grateful we found such excellent people to participate on the panel."

Admission is free, and the public is invited to attend, Meyers said. Parking is also free for the event, in lots L, D, and K.

For more information, please call (661) 654-2555.

Legislators hear ethanol facts

By Patricia McCoy, Staff Writer

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BOISE - Twice as many people die in Australia from breathing vehicle exhaust fumes as die in auto accidents, thanks to the fine particulate matter found in the exhaust from gasoline-powered vehicles.

Fine particulates are a major pollutant in auto exhaust, but using at least 10 percent ethanol blends in the fuel tank can cut their presence by 30 to 50 percent, said Gary Z. Whitten of Smog Reyes, Point Reyes, Calif.

Ethanol boosts the octane content of fuels it is mixed with, he said. That is what cuts the fine particulate content of the exhaust.

Cutting down on the fine particulate content is one of five major air quality problems ethanol helps solve, Whitten said at a legislative workshop here Jan. 16.

The workshop was jointly sponsored by the Harvesting Clean Energy Network and the Idaho Farm Bureau Federation, which is sponsoring legislation to require ethanol blending in fuels in Idaho in the coming years.

The event was held at the statehouse, where it drew several state lawmakers in Boise as the 2006 legislative session gets under way.

Ethanol mixed into fuel also reduces greenhouse gases, Whitten said. That helps cut back on global warming.

Benzene is the major toxic from gasoline. Studies show 90 percent of it comes from engine exhausts, he said. It is made from the aromatic octanes that come from burning fossil fuels. Ethanol blending reduces them considerably too, because it substitutes for aromatic octane, leading to a cleaner combustion.

"Carbon monoxide is well-known to everyone. It is the biggest single contributor to creating ozone, and makes smog. Gasoline engines are the main source of it. Ethanol significantly reduces its emission. It appears that ethanol blends make catalysts work better in our modern, computerized vehicles," Whitten said.

Ethanol-blended fuels also cut back on the amount of nitrogen oxide emitted through auto exhaust pipes, he said.

Those attending the workshop also heard from Hosein Shapouri, with the Office of the Chief Economist, USDA, who said modern manufacturing methods are cutting down on the amount of energy required to manufacture ethanol.

Shapouri cited numerous studies, many of them based on data from nine states, proving that ethanol can be produced economically. Those states are Iowa, Indiana, Michigan, Minnesota, Illinois, Nebraska, Ohio, Wisconsin and South Dakota. While corn is grown in every state in the union, those states produced 79 percent of the U.S. corn crop in 2001, and 92 percent of the ethanol that same year, he said.

[Fresno Bee, Commentary, Tuesday, Jan. 24, 2006:](#)

Turf wars can cloud issues in smog fight

Dan Walters / The Bee's capitol bureau

Thousands of interest groups spend tens of millions of dollars each year to hire hundreds of lobbyists to influence California's legislators and administrative officials on tens of thousands of specific issues.

Interestingly enough, government itself - hundreds of local and regional governmental entities -- has become the most prolific employer of lobbyists in Sacramento, as a simmering feud between state and regional air-quality regulators illustrates.

Last summer, the state Air Resources Board's staff reached an agreement with California's two major railroads, Union Pacific and BNSF Railway, on reducing emissions from the railroads' diesel locomotives throughout the state. While ARB officials hailed it as a breakthrough and a model, those at the South

Coast Air Quality Management District bristled, seeing it as an end run around their efforts to impose tighter smog-control rules on the railroads to protect public health.

It's the most obvious example of a larger conflict that is partly philosophical, partly technical and partly territorial. Other interest groups and legislators have lined up on the debate over how aggressive California should be in controlling smog, pitting environmental and health advocates against business' contentions that were regulation to become too costly, it would drive job-creating commerce out of the state. The long-running friction flared publicly last year when the state Senate rejected Gov. Schwarzenegger's appointment of Cindy Tuck as chairwoman of the ARB after critics complained that she was too closely identified with business.

The ARB has favored negotiated agreements over adversarial regulation while the South Coast district has strenuously pushed for tighter restrictions on commercial and industrial sources of pollution in smog-prone Southern California, fostering a cadre of friendly legislators to push its case for more aggressive pollution regulation.

The lawmakers have introduced a flock of bills to bolster the district's authority over railroads and other corporate interests, backed up by the district's costly squad of lobbying firms and media consultants.

The railroad conflict appears to be nearing a climax. The South Coast board is pressing ahead with its own regulations, spurning assertions that it lacks the authority; the ARB staff has issued a new report saying its agreement is being implemented according to plan; the South Coast district has published a critique saying that the agreement has too much "vague language;" and the ARB is scheduled to decide this week whether to formally ratify the agreement.

Earlier this month, the South Coast board staff proposed that it spend \$15,000 to transport "residents or representatives of organizations" to Sacramento for this week's ARB meeting to protest the agreement. That proposal was scotched, but it illustrates the depth of the smog conflict and how government-on-government lobbying -- all with public funds -- has escalated.