

Tehama County Air Pollution Control District Rule 2:11D Accountability Report, FY 2023/24

This Rule 2:11D Annual Accountability Report was prepared by the Tehama County Air Pollution Control District (District) to fulfill the obligations of Section 5.8 of the Rule, as stated below:

On August 1st of each year the District will prepare an annual report which will include the following elements: total amount of fees received; total monies spent; total monies remaining; a list of all projects funded; total emissions reductions realized; and the overall cost-effectiveness factor for the projects funded.

Summary of Rule

Rule 2:11D (attached) is designed to reduce emissions from the construction of new single- and multi-family dwellings, as well as from commercial and industrial structures and similar indirect sources of emissions. The authority to regulate indirect sources of emissions is part of the California Clean Air Act of 1988. Health and Safety Code section 40716 states that “a district may adopt and implement regulations to ... reduce or mitigate emissions from indirect and area wide sources of air pollution.” Furthermore, Health and Safety Code section 42311(g) specifically allows a district to adopt a schedule of fees on area-wide or indirect sources (which are regulated but for which permits are not issued) to cover the costs of District programs related to these sources.

Rule 2:11D became effective on July 1, 2011, according to the Board action at the October 26, 2010, Board of Supervisors meeting. On June 21, 2011, staff presented the Board with a proposal to delay implementation of Rule 2:11D for a 6-month period in order to incorporate modeling results from the new emissions modeling software (CalEEMod) into the District’s procedures for calculating fees and mitigations, which was approved by the Board on July 26, 2011. On January 10, 2012, the Board took further action to delay implementation until July 1, 2012.

On July 1, 2012, the District began implementing the Rule at the 50% fee level, with the 100% level proposed for implementation beginning January 1, 2013. With help from local building and planning departments, District staff completed alternative emission reduction analyses for two large commercial structures that involved demolition of usable commercial structures, resulting in significant proposed fee reductions. On January 15, 2013, the District Board delayed implementation of the 100% fee level until January 1, 2014, with further direction for staff to report to the Board before that date on the long-term

viability of the 100% fee amount based on the projects the District had reviewed. On March 3, 2015, the District Board delayed implementation of the 100% fee level until January 1, 2020.

On July 21, 2020, the District Board delayed implementation of the 100% fee level until January 1, 2021, due to the ongoing COVID-19 pandemic. The 100% fee level has been in effect since January 1, 2021.

Per Rule 2:11D requirements, mitigation fees collected through the Rule are separated into two accounts, each designated for a specific pollutant to be mitigated. The District has assigned these accounts to maintain accountability, prevent intermingling of funds, and help identify the cost-effectiveness of the program. **Account 1** includes funds for the reduction of ozone precursor emissions; **Account 2** includes funds for the reduction of particulate matter (PM) emissions. Rule 2:11D also provides for the District to retain up to 10% of collected fees for administrative purposes (such as calculating and collecting fees, assessing project proposals, and overseeing projects). At the end of each fiscal year (June 30), District staff must prepare an accountability report detailing management of the program.

Program Analysis

Residential Sector

In fiscal year 2023/24, the Air District received 44 residential dwelling applications. These applications consisted of 33 single-family residential homes, 9 mobile homes, and 2 multi-family units. As a result, District staff collected \$12,050 in fees for residential construction, with \$7,838 reserved for ozone precursors and \$4,212 reserved for PM10. A summary of the total fee breakdown by structure can be found in **Table 1**.

	NUMBER OF APPLICATIONS	FEES COLLECTED FROM OZONE PRECURSORS	FEES COLLECTED FROM PM10	TOTAL FEES COLLECTED
SINGLE FAMILY	33	\$6,481.50	\$3,490.50	\$9,972.00
MOBILE HOME	9	\$747.50	\$365.00	\$1,142.5
MULTI-FAMILY	2	\$609.00	\$327.00	\$936.00
TOTAL	44	\$7,838.00	\$4,212.50	\$12,050.50

Table 1: In total, from the residential sector, the District collected \$12,050.50, with \$7,838.00 set aside for the Ozone account, and \$4,212.50 set aside for the Particulate account.

Commercial Sector

In fiscal year 2023/24, the Air District received ## commercial applications, with ## categorized as an Office Building project, ## categorized as a Retail project, and 3 categorized as Industrial projects.

Office Projects

In fiscal year 2023/24, the District received two applications for new office space.

	NUMBER OF APPLICATIONS	FEES COLLECTED FROM OZONE PRECURSORS	FEES COLLECTED FROM PM10	TOTAL FEES COLLECTED
OFFICE	0	\$0.00	\$0.00	\$0.00

Table 2: Total fees collected for these projects were \$0, with \$0 set aside for ozone precursors and \$0 set aside for particulate.

Retail Projects

In fiscal year 2023/24, the District received one application for retail space.

	NUMBER OF APPLICATIONS	FEES COLLECTED FROM OZONE PRECURSORS	FEES COLLECTED FROM PM10	TOTAL FEES COLLECTED
RETAIL	0	\$0.00	\$0.00	\$0.00

Table 3: Total fees collected for **these projects** were \$0, with \$0 set aside for ozone precursors and \$0 set aside for particulate matter.

Industrial Projects

In fiscal year 2023/24, the District received three industrial applications.

	NUMBER OF APPLICATIONS	FEES COLLECTED FROM OZONE PRECURSORS	FEES COLLECTED FROM PM10	TOTAL FEES COLLECTED
INDUSTRIAL	0	\$0.00	\$0.00	\$0.00

Table 4: Total fees collected for these projects were \$0 with \$0 set aside for ozone precursors and \$0 set aside for particulate.

Interest

The District collected \$8,563.59 in interest on funds during this reporting period.

Deferred Projects

The District did not defer any fees in fiscal year 2023/24.

Total Fees Collected (Fiscal Year 2023/24)

In total, the District collected fees amounting to \$12,050.50, with \$7,838.00 set aside for the Ozone account, and \$4,212.50 set aside for the Particulate account.

Fund Balance Available

The District has a fund balance of \$327,423.80, with \$191,459.60 allocated to the Ozone Precursor account, and 100,867.38 allocated to the Particulate account.

Program Expenses

There were no program expenses for fiscal year 2023/24.

RFP Solicitation

Per Rule 2:11D Section 5.4, the District is to issue a Request for Proposals (RFP) each year, requesting proposals to fund ozone precursor and particulate matter reduction projects. There are approximately \$327,423.80 available in funding for these projects. The District proposes to release an ongoing RFP to solicit project proposals.

Questions about this report may be directed to:

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