SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Final Environmental Assessment for:

Proposed Amended Rule 1113 – Architectural Coatings

February 2016

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Preface

This document constitutes the Final Environmental Assessment (EA) for Proposed Amended Rule (PAR) 1113 – Architectural Coatings. The Draft EA was released for a 30-day public review and comment period from September 15, 2015 to October 15, 2015. One comment letter was received on the Draft EA. The comment letter and responses to comments are included in Appendix C.

In addition, subsequent to release of the Draft EA, minor modifications were made to the proposed project, including clarification of the Small Container Exemption (SCE) categories and the addition of a two year sell-through provision for the phase-out of the SCE. These minor clarifications do not change or affect any of the analysis in the Final EA. The sell-through provision allows coating products currently being sold under the SCE that are being eliminated and/or restricted to be sold for up to two more years, if the products were manufactured prior to the effective compliance date. No additional impacts are expected to occur beyond the current environmental analysis because the affected coating products do not have a long shelf life, and retailers are expected to be able to sell products manufactured prior to the effective compliance date within the two year timeframe. Amendments to Rule 314 were also originally proposed, which included changes to the fee structure for architectural coatings. These amendments to Rule 314 are no longer being proposed. To facilitate identification, modifications to the document are included as <u>underlined text</u> and text removed from the document is indicated by strikethrough.

SCAQMD staff has reviewed the modifications to PAR 1113 and the removal of PAR 314 and concluded that none of the revisions constitute: 1) significant new information; 2) a substantial increase in the severity of an environmental impact; or, 3) provide new information of substantial importance relative to the draft document. In addition, revisions to the proposed project would not create new, avoidable significant effects. As a result, these revisions do not require recirculation of the document pursuant to CEQA Guidelines §15073.5. Therefore, this document now constitutes the Final EA for PAR 1113.

CHAPTER 1

PROJECT DESCRIPTION

Introduction California Environmental Quality Act Project Location Project Background Description of Affected Architectural Coating Categories Project Description

INTRODUCTION

Rule 1113 - Architectural Coatings, was originally adopted by the SCAQMD on September 2, 1977, to regulate the Volatile Organic Compound (VOC) emissions from the application of architectural coatings, and has since undergone numerous amendments. The 2012 Air Quality Management Plan (AQMP) included Control Measure CM#2012 CTS-01 – Further VOC Reductions from Architectural Coatings which anticipated achieving < 10 tons of VOC emissions reductions per day by 2019. The proposed project will achieve 0.89 tons per day of VOC reductions by 2019 to be consistent with the AQMP requirements with new VOC limits and reducing the VOC limits for specified categories. Rule 314 – Fees for Architectural Coatings was adopted on June 6, 2008, requiring manufacturers to pay fees, as well as report sales and emissions of architectural coatings into the SCAQMD. Based on the sales data collected, from Rule 314, numerous site visits, technical research, and working group meetings, staff has developed PAR 1113 and PAR 314, which are is described below.

PAR 1113 will:

- Limit the Small Container Exemption (SCE) for certain categories;
- Propose new categories with VOC limits and eliminate categories once they are regulated under a different rule;
- Clarify existing definitions and requirements;
- Reduce the VOC limit of some architectural coating categories to reflect currently available inventory;
- Include colorants in the labeling requirements;
- Include several new test methods; and
- Remove and update outdated provisions

PAR 314 will:

- Amend definitions;
- Include a tiered sales fee structure;
- Require architectural coating manufacturers to pay outstanding fees of any acquired architectural coating manufacturer; and
- Require reporting of any change or acquisition of the facility/business to the Executive Officer.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

Amending Rules 1113 and 314 is a discretionary action, which has the potential to result in direct or indirect changes to the environment and, therefore, is considered a "project" as defined by the California Environmental Quality Act (CEQA). SCAQMD is the lead agency for the proposed project and has prepared this Draft Final Environmental Assessment (EA) pursuant to its Certified Regulatory Program (CEQA Guidelines § 15251). California Public Resources Code § 21080.5 allows public agencies with regulatory programs to prepare a plan or other written document in

lieu of an environmental impact report or negative declaration once the Secretary of the Resources Agency has certified the regulatory program. SCAQMD's regulatory program was certified by the Secretary of the Resources Agency on March 1, 1989, and is codified as SCAQMD Rule 110.

CEQA and SCAQMD Rule 110 require that potential adverse environmental impacts of proposed projects be evaluated and feasible methods to reduce or avoid significant adverse environmental impacts of these projects be identified. To fulfill the purpose and intent of CEQA, this Draft Final EA addresses the potential adverse environmental impacts associated with the proposed project according to CEQA Guidelines § 15252. It states that the lead agency has an obligation to identify and evaluate the environmental effects of the project. The <u>Draft Final</u> EA is an informational document intended to: (a) provide the lead agency, responsible agencies, decision makers, and the general public with information on the environmental effects.

SCAQMD staff's review of the proposed project shows that the proposed project is not expected to generate significant adverse effects on the environment. Pursuant to CEQA Guidelines §§ 15126.4(a)(3) and 15126.6, mitigation measures and alternatives are not required for effects which that are found not to be significant; thus, no mitigation measures or alternatives to the project are included in the Draft_Final EA. In addition, because SCAQMD has a certified regulatory program, the Environmental Assessment is an appropriate substitute for an EIR or Negative Declaration. Pursuant to CEQA Guidelines § 15252(a)(2)(B) and supported by the environmental checklist (in Chapter 2), if the project would not have any significant or potentially significant effects on the environment." Comments received on the Draft EA during the 30-day public review period will be addressed and included in the Final EA. The Draft EA was released for a 30-day public review and comment period from September 15, 2015 to October 15, 2015. One comment letter was received on the Draft EA during the comment period, which is included with responses in Appendix C.

PROJECT LOCATION

PAR 1113 and PAR 314 affects all architectural coating manufacturing facilities who sell architectural coating into or within the SCAQMD. The SCAQMD has jurisdiction over an area of 10,473 square miles, consisting of the four-county South Coast Air Basin (Basin) and the Riverside County portions of the Salton Sea Air Basin (SSAB) and the Mojave Desert Air Basin (MDAB). The Basin, which is a subarea of the SCAQMD's jurisdiction, is bounded by the Pacific Ocean to the west and the San Gabriel, San Bernardino, and San Jacinto Mountains to the north and east. The 6,745 square-mile Basin includes all of Orange County and the nondesert portions of Los Angeles, Riverside, and San Bernardino counties. The Riverside County portion of the SSAB and MDAB is bounded by the San Jacinto Mountains in the west and spans eastward up to the Palo Verde Valley (see Figure 1-1).



Figure 1-1 Boundaries of the South Coast Air Quality Management District

PROJECT BACKGROUND

Architectural and industrial maintenance (AIM) coatings are used to beautify and protect homes, office buildings, factories, and their appurtenances on a variety of surfaces - metal, wood, plastic, concrete, wallboard, etc. For example, AIM coatings are applied to the interior and exterior of homes and offices, factory floors, bridges, stop signs, roofs, swimming pools, driveways, etc. AIM coatings may be applied by brush, roller, or spray gun; by residents, painting contractors, or maintenance personnel.

AIM and other coatings are composed of: pigments, which give the paint its color and ability to hide the underlying surface, and are generally in the form of finely ground powders; binders (resins), in which the pigment particles are dispersed and which bind the pigment to the painted surface; carriers (solvents), used to keep the paint in a liquid state during application and to otherwise aid in the application of the paint; and specialty chemicals (additives), necessary for other coating characteristics. The carriers and some specialty chemicals evaporate, leaving behind the film-forming components of the coating. The resins used in AIM coatings include acrylics, vinyls, alkyds, cellulosics, epoxies, urethanes, polyurethanes, and several others. The carriers in solvent-based coatings are organic solvents such as alcohols, ketones, esters, glycols, glycol ethers, and aromatic or aliphatic hydrocarbons, and are usually VOCs. The carrier in a waterborne coating is water, although most waterborne coatings contain some VOCs, primarily glycols or texanol.

AIM coatings are usually purchased ready-to-use, although some come in two components that must be mixed prior to application. They are available in a wide range of colors, gloss, and performance characteristics. One important criterion for selecting coatings is durability. Coatings are expected to last from two to ten years with the average expectation of five to seven years. Failure of coatings to stand up to the elements such as sunlight, weather, and cleaning can shorten the life of the coating and require more frequent recoating.

A solvent may sometimes be used to thin a coating if it is too thick to spray or brush. Application problems caused by low temperature and high humidity can also be overcome by the addition of solvent to the coating. Waterborne coatings are thinned with water only, whereas solvent-based coatings can only be thinned with organic solvents. Similarly, brushes, rollers, and spray guns used with waterborne coatings are cleaned with water, while such equipment used with solvent-based coatings use organic solvents for cleanup. Generally, coatings are sold as 'ready-to-use' to eliminate the need for thinning in the field.

VOC emissions from architectural coating operations are regulated by SCAQMD Rule 1113. Under this rule, emissions are controlled by limiting the VOC content, measured in grams per liter, of the architectural coatings sold and applied in the District. Architectural coatings are defined by their application and use and include coatings which are applied to stationary structures including residential and commercial buildings, billboards, curbs and roads, and mobile homes. VOCs are emitted to the atmosphere from the evaporation of organic solvents used in industrial maintenance coatings, nonflats, flats, primers/sealers/undercoaters, waterproofing wood sealers, varnishes, wood preservatives, lacquers, fire retardant coatings, etc. The existing rule and PAR 1113 apply

to those persons who supply, sell, markets, offers for sale, or manufacture any architectural coating.

Regulatory History

Architectural Coatings have been subject to environmental air quality regulations for more than three decades. Below is a reverse chronology of Rule 1113 regulatory activities:

- September 6, 2013 This Rule 1113 amendment provided regulatory relief in the form of an exception from the recently adopted labeling requirements for small containers. The amendment exempted containers containing two ounces or less from the labeling requirements. Rule 1113 added and amended definitions to clarify the rule. This amendment clarified that open container requirements and Group II exemption prohibitions apply to colorants in addition to architectural coatings. This amendment also included minor changes to improve clarity, but does not change the intent of existing requirements.
- June 3, 2011 These amendments to Rule 1113 further reduced VOC emissions from architectural coatings by limiting the allowable VOC content of previously unregulated colorants used to tint coatings at the point of sale, establishing VOC limits for certain new coating categories, and reducing the allowable VOC content for several existing coating categories. The amendments also included a sunset date for the Averaging Compliance Option and restrictions on the Small Container Exemption, removed outdated language, and provided rule clarification to improve its enforceability.
- July 13, 2007 These amendments to Rule 1113 amended the definition of metallic pigmented coatings to remove reference to mica to be consistent with the federal architectural coating rule, updated the test method used to determine the weight percent of elemental metal in metallic coatings to reflect current practice, and deleted obsolete language.
- June 9, 2006 These amendments to Rule 1113 implemented the recommendation of the most recent technology assessment for this rule. The rule reduced the VOC limits for specific coating categories; established a separate category for high-gloss nonflat coatings, set interim limits and postponed the final limits for high gloss nonflats, quick-dry enamels, and specialty primers; provided a limited exemption for Tertiary-Butyl Acetate from the VOC definition; and included other minor modifications to improve clarity and enforceability of the rule.
- **December 5, 2003** In December of 2003, the SCAQMD Governing Board lowered VOC content limits for the following coating categories: clear wood finishes (varnish and sanding sealers), waterproofing sealers, waterproofing concrete/masonry sealers, stains, and roof coatings. The proposed amendments required reporting with a sunset date to phase-out the one quart or less usage exemption for clear wood finishes and expanded the scope of the averaging compliance option to include the categories where the VOC content limits were proposed to be lowered.

These amendments and the CEQA document (EA) were subject to litigation and the SCAQMD prevailed.

- July 9, 2004 These amendments addressed the State Implementation Plan (SIP) approvability issues identified by the USEPA relative to the alternative compliance option of the rule, the Averaging Compliance Option (ACO), specifically the averaging compliance option. Amendments included requiring specific records be kept by manufacturers choosing to use the ACO to comply with VOC limits, establishing additional criteria for violations of the ACO program, and making other changes to the rule to enhance clarity and enforceability. The SCAQMD committed to periodically evaluating the ACO program to determine if emission reductions commitments are met as specified in the SIP.
- December 6, 2002 In December of 2002, the SCAQMD Governing Board readopted amendments to Rule 1113 which were originally adopted in May 1999, but vacated by the Court of Appeal on June 24, 2002. In response to the Court's decision, the SCAOMD staff proposed to readopt these amendments, incorporating the modifications to the amendments that were made after the notice of public hearing was published. In connection with readopting the 1999 amendments to Rule 1113 plus the modifications, the SCAQMD staff prepared a Draft Subsequent Environmental Assessment (SEA) to evaluate potential adverse environmental impacts of the 1999 amendments as revised. Rule 1113 was originally amended in 1999 to implement, in part, both the 1994 and the 1997 AQMP control measure CTS-07 – Further Emission Reductions from Architectural Coatings, which called for a reduction of the allowable VOC content limit per liter of coating from the following coating categories: industrial maintenance (IM); nonflatsnonflats; primers, sealers, and undercoaters; quick-dry enamels; quick-dry primers, sealers, and undercoaters; roof coatings; stains; and waterproofing wood sealers. The 1999 amendments to Rule 1113 also added several new coating categories: bituminous roof primers; floor coatings; high temperature IM coatings; nonflats; recycled coatings; rust preventative coatings; specialty primers; zinc-rich IM primers, and waterproofing concrete/masonry sealers. The proposal also expanded and clarified the averaging provision to provide additional flexibility to manufacturers.

These amendments and the CEQA document (SEA) were subject to litigation and the SCAQMD prevailed.

- July 20, 2001 In July 2001, the SCAQMD Governing Board adopted amendments to Rule 1113. The amendments included the creation of a new coating category for clear wood finish brushing lacquers with an allowable VOC content of 680 grams per liter until January 1, 2005, when the VOC limit would be reduced to 275 grams per liter. The rule amendments also established labeling and reporting requirements for brushing lacquers to ensure their proper use and thus minimize emissions. By postponing compliance with the existing VOC content limit requirement for lacquers in general, the EA prepared for this amendment concluded that 162 pounds of anticipated VOC emission reductions per day would be foregone until the clear brushing lacquers were required to comply with the final VOC content limit in 2005.
- May 14, 1999 In May 1999, the SCAQMD Board adopted amendments to Rule 1113. The amendments called for a reduction of the allowable VOC content limit per liter of coating from the following coating categories: industrial maintenance; nonflats; quick-dry

enamels; primers, sealers, and undercoaters; quick-dry primers, sealers, and undercoaters; stains; roof coatings; and waterproofing wood sealers. The proposed amendments to Rule 1113 also added several new coating categories: high temperature IM coatings, rust preventative coatings, bituminous roof coatings, recycled flats and nonflats, essential public service coatings, floor coatings, and waterproofing concrete/masonry sealers. The proposal also expanded and clarified the averaging provision to provide additional flexibility to manufacturers. At full implementation of the amendments, the overall VOC emission reductions were anticipated to be approximately 21.8 tons per day by the year 2010. On June 24, 2002, the Court of Appeal vacated the SCAQMD's adoption of the 1999 amendments.

• November 8, 1996 - In November 1996, the SCAQMD Board adopted amendments to Rule 1113. These amendments reduced the VOC content limits of four coating categories: lacquers, flats (interior and exterior), traffic coatings, and multi-color coatings, resulting in an overall net reduction of 10.3 tons per day of VOC emissions from this source category. In addition, the amendments temporarily increased the VOC content limits for four coating categories. Other components of the proposed amendments included adding new definitions, modifying definitions, updating the analytical test methods, and establishing an averaging methodology for flats to provide flexibility for complying with future VOC content limits.

Subsequent to the adoption of the amendments to Rule 1113, industry filed three separate lawsuits questioning the validity of the proposed future limits for the lacquer and flat coating categories. The SCAQMD prevailed in all three cases.

These amendments also incorporated an exemption from the VOC limits for coatings sold in containers one-quart size or less. The analysis in the Final Environmental Assessment concluded that adopting a small container exemption would result in significant adverse air quality impacts.

- February 2, 1990 In February of 1990, the SCAQMD Governing Board adopted amendments to Rule 1113 that were based on the California Air Resources Board (CARB) and California Air Pollution Control Officers Association (CAPCOA) Suggested Control Measure (SCM). The 1990 amendments included the following provisions: exemptions for 11 categories of specialty coatings were eliminated, leaving only exemptions for quart or smaller containers and emulsion type bituminous pavement sealers; lower VOC content limits for 15 new coating categories; technology-forcing lower VOC limits for ten existing coating categories effective December 1, 1993; consolidation of the industrial maintenance coating categories from ten to three; and reorganization of the subdivisions of the rule.
- March 8, 1996 These amendments established a definition for aerosol coatings consistent with the CARB definition, revised the definition of exempt compounds by referencing Rule 102 Definition of Terms, and created an exemption for aerosol coatings.
- September 6, 1991 These amendments created a new coating category, low-solids stain, and incorporated a calculation method for determining VOC content on a materials basis.

The amendment also prohibited use of Group II exempt compounds, including ozonedepleting chlorofluorocarbons (CFCs) and several toxic solvents.

- **December 7, 1990 -** These amendments incorporated new definitions for specialty coatings and established a specific VOC content limit in the table of standards for specialty coatings.
- November 2, 1990 These amendments incorporated new definitions for specialty coatings and established a specific VOC content limit in the table of standards for specialty coatings.
- February 2, 1990 These amendments incorporated new definitions for specialty coatings and established a specific VOC content limit in the table of standards for specialty coatings.

Architectural Coatings have been subject to Rule 314 Architectural Coating Fees since 2008. Below is a reverse chronology of Rule 314 regulatory activities:

- September 6, 2013 These amendments clarified certain reporting requirements, including exempting small manufacturers and certain coatings from fees provided the reports are submitted by the deadline, removing the ability to use "grouping" in the reporting, clarifying existing definitions and reporting requirements, and removing outdated phased-in fee rates.
- January 9, 2009 The proposed amendment clarified the applicability and reporting requirement sections of the rule to include architectural coatings sold through big box retailers, as well as adding a fee exemption for recycled coatings.
- June 6, 2008 Rule 314 was adopted in June 2008 to recover the program costs to the SCAQMD for establishing and implementing Rule 1113, including that program's fair share of SCAQMD costs that are apportioned among all SCAQMD programs, such as personnel, payroll, etc., as well as costs supported by emissions fees, such as emissions inventory and air monitoring. The rule provided staff with information on architectural coating quantity used and related emissions for planning, compliance, and rule development.

The other previous amendments for Rule 314 updated the fee schedule per the Consumer Price Index.

DESCRIPTION OF AFFECTED ARCHITECTURAL COATING CATEGORIES

Installation of air pollution control equipment is not feasible due to the application of these coatings on a temporary basis at locations outside of facilities with control equipment for reducing AIM coatings emissions; thereby leaving coating reformulation as the only possible means to achieve the required reductions. The current proposal seeks to reduce the quantity of high-VOC coatings that are sold under the small container exemption, specifically flat, nonflat, industrial maintenance and rust preventative coatings.

Additionally, there are some coatings that are already compliant with PAR 1113 and these amendments reflect their actual emissions. Thus, there is no need for a reformulation of these coatings (*i.e.* recycled coatings).

PROJECT DESCRIPTION

The following is a summary of the proposed amendments to PAR 1113 – Architectural Coatings and PAR 314 – Fees for Architectural Coatings. A copy of PAR 1113 and PAR 314 with the specific details of the amendments can be found in Appendix A. and B, respectively. The following and Appendix A and Appendix B constitute the project description. Key changes proposed for PAR 1113 and 314 are described below.

PAR 1113

- Remove all references to the averaging provision which sunset on January 1, 2015.
- Add seven definitions, amend five definitions, and phase out two definitions:
 - Add: Building Envelope, Building Envelope Coatings, Color Indicating Safety Coatings, Default Coatings, Tile and Stone Sealers, Tub and Tile Refinishing Coatings, and Wood Conditioners.
 - Amend: Faux Glazes, Nonflat Coatings, Reactive Penetrating Sealers, Volatile Organic Compound, and Clear Wood Finish (re-named Wood Coatings).
 - Phase out: Bond Breakers and Form Release Compounds.
- Clarify the requirements in paragraph (c)(1).
- Create new coating categories and establish a VOC limit for the following:
 - Building Envelope Coatings, Color Indicating Safety Coatings, Tile and Stone Sealers, Tub and Tile Refinishing Coatings, and Wood Conditioners.
- Upon rule adoption, reduce the VOC limit on the following categories:
 - Building Envelope Coatings (2019) and Recycled Coatings (2016).
- Eliminate categories once they are regulated under a different rule.
- Amend and update the Table of Standards 1 for clarifications.
- Include colorants in the labeling requirements for the date of manufacture and the VOC content.

- Include the following test methods:
 - VOC content:
 - SCAQMD Method 313 Determination of Volatile Organic Compounds VOC by Gas Chromatography-Mass Spectrometry.
 - ASTM Test Method 6886 Standard Test Method for Determination of the Weight Percent Individual Volatile Organic Compounds in Waterborne Air-Dry Coatings by Gas Chromatography.
 - Building Envelope Coatings:
 - ASTM E2178 Standard Test Method for Air Permeance of Building Materials.
 - ASTM E331 Standard Test Method for Water Penetration of Exterior Windows, Skylights, Doors, and Curtain Walls by Uniform Static Air Pressure Difference.
 - Tub and Tile Refinishing Coating:
 - o ASTM D3363 Standard Test Method for Film Hardness by Pencil Test.
 - ASTM D4060 Standard Test Method for Abrasion Resistance of Organic Coatings by the Taber Abraser.
 - ASTM D4585 Standard Practice for Testing Water Resistance of Coatings Using Controlled Condensation.
 - ASTM D714 Standard Test Method for Evaluating Degree of Blistering of Paints.
 - o ASTM D3359 Standard Test Methods for Measuring Adhesion by Tape Test.
 - Amend the Small Container Exemption such that:
 - The exemption is eliminated for high-VOC specialty coatings (<u>Reactive Penetrating</u> <u>Sealers, Shellacs, Tub and Tile Refinishing Coatings</u>), and coating categories not currently using the exemption;
 - Restrict the exemption for Flat Coatings, Nonflat Coatings, Rust Preventative Coatings, and Industrial Maintenance Coatings; and
 - Clarify the language.

PAR 314

- Amend two definitions: Big box retailer and product.
- Modify the fee structure such that a higher fee is imposed on higher-VOC coatings to reflect the increased cost of rule implementation.
- Include requirements for architectural coating manufacturers who acquire another architectural coating manufacturer.
- Require reporting of any change or acquisition of the facility/business to the Executive Officer.

CHAPTER 2

Introduction

General Information

Environmental Factors Potentially Affected

Determination

Discussion and Evaluation of Environmental Checklist

INTRODUCTION

The environmental checklist provides a standard evaluation tool to identify a project's adverse environmental impacts. This checklist identifies and evaluates potential adverse environmental impacts that may be created by the proposed project.

GENERAL INFORMATION

Project Title:	Proposed Amended Rule 1113 and PAR 314
Lead Agency Name:	South Coast Air Quality Management District
Lead Agency Address:	21865 Copley Drive, Diamond Bar, CA 91765
Rule Contact Person:	Heather Farr, (909) 396-3672
CEQA Contact Person:	Cynthia Carter, (909) 396-2431
Project Sponsor's Name:	South Coast Air Quality Management District
Project Sponsor's Address:	21865 Copley Drive, Diamond Bar, CA 91765
General Plan Designation:	Not applicable
Zoning:	Not applicable
Description of Project:	The purpose of PAR 1113 is to Implement, in part, Control Measure CM#2012 CTS-01 – Further VOC Reductions from Architectural Coatings, limit the small container exemption for certain categories, propose new categories with VOC limits, eliminate categories once they are regulated under a different rule, reduce the VOC limit of some architectural coating categories to reflect currently available inventory, clarify rule language, strengthen the enforceability of the rule, and remove and update outdated provisions.
	The purpose of PAR-314 is to make changes to the rule's definitions, requirements, and exclusions. Specifically, PAR 314 would add a tiered sales fee structure and require architectural coating manufacturers to pay outstanding fees of any acquired architectural coating manufacturer.
Surrounding Land Uses and Setting:	Not applicable
Other Public Agencies Whose Approval is Required:	None

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The following environmental impact issues have been assessed to determine their potential to be affected by the proposed project. As indicated by the checklist on the following pages, environmental topics marked with an " \checkmark " may be adversely affected by the proposed project. An explanation relative to the determination of the significance of the impacts can be found following the checklist for each area.

	Aesthetics		Geology and Soils		Population and Housing
	Agricultural and Forest Resources	Ø	Hazards and Hazardous Materials	V	Public Services
Ø	Air Quality and Greenhouse Gas Emissions		Hydrology and Water Quality		Recreation
	Biological Resources		Land Use and Planning		Solid/Hazardous Waste
	Cultural Resources		Mineral Resources		Transportation/Traffic
	Energy		Noise		Mandatory Findings of Significance

DETERMINATION

On the basis of this initial evaluation:

- ✓ I find the proposed project, in accordance with those findings made pursuant to CEQA Guideline § 15252, COULD NOT have a significant effect on the environment, and that an ENVIRONMENTAL ASSESSMENT with no significant impacts has been prepared.
- □ I find that although the proposed project could have a significant effect on the environment, there will NOT be significant effects in this case because revisions in the project have been made by or agreed to by the project proponent. An ENVIRONMENTAL ASSESSMENT with no significant impacts will be prepared.
- □ I find that the proposed project MAY have a significant effect(s) on the environment, and an ENVIRONMENTAL ASSESSMENT will be prepared.
- □ I find that the proposed project MAY have a "potentially significant impact" on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL ASSESSMENT is required, but it must analyze only the effects that remain to be addressed.
- □ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier ENVIRONMENTAL ASSESSMENT pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier ENVIRONMENTAL ASSESSMENT, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Date: <u>September 11, 2015</u>

Signature:

Jillian Wong

Jillian Wong, Ph.D. Program Supervisor, CEQA Section Planning, Rules, and Area Sources

DISCUSSION AND EVALUATION OF ENVIRONMENTAL IMPACTS

The environmental impacts associated with the current requirements in Rule 1113 and Rule 314 has have already been analyzed in previous CEQA documents prepared for the rule. As discussed in Chapter 1, implementation of the proposed project would reduce VOC emissions from the application of architectural coatings and address the imbalance of increasing costs of compliance. This amendment is necessary to meet commitments in the 2012 AQMP and will be incorporated into the SIP. No new physical changes requiring construction are involved with the proposed project.

Coating operations can be categorized into three procedures: manufacturing, distribution and sales, and use of coating. Manufacturing comprises of raw material storage (silos, storage tanks, drums, etc.), process operations (storage tanks, mixers, mills, high-speed dispersion tanks, canners, etc.) and product storage (drums, cans, etc.). Distribution and sales comprises of transporting coatings to warehouses and retail and commercial facilities for sale or resale. Coatings are used (applied) by spraying, rolling, or brushing of the coatings on to architectural structures.

Rule 314 Fees for Architectural Coatings requires manufacturers to report and pay fees related to sales and emissions of architectural coatings into the SCAQMD. PAR 314 would include revised definitions, a tiered sales fee structure, and a requirement that architectural coating manufacturers pay outstanding fees of any acquired architectural coating manufacturer. PAR 314 would only affect definitions, fees, and reporting requirements.

For the aforementioned reasons, the following analysis will focus on the effects of PAR 1113 and PAR 314. This Draft Final EA analyzes the VOC limit changes, changes to some coating categories, and restrictions on the small container exemption.

Reformulation of Affected Architectural Coatings

The primary result of PAR 1113 would be the reformulation of coatings to comply with the new or lower VOC content limits. It is assumed that PAR 1113 noncompliant coatings would be reformulated to be similar to existing PAR 1113 compliant coatings. Therefore, impacts from reformulation were evaluated by comparing PAR 1113 compliant coatings to coatings that would not be compliant under PAR 1113.

Additionally, based on manufacturer feedback, the majority of the manufacturers already have a compliant product line.

Other rule language changes are administrative in nature and no environmental impacts would be expected.

ENVIRONMENTAL CHECKLIST AND DISCUSSION

I. AESTHETICS.

		Potentially Significant Impact	Less Than Significant With	Less Than Significant Impact	No Impact
Woi	uld the project:		Mitigation		
a)	Have a substantial adverse effect on a scenic vista?				$\mathbf{\overline{A}}$
b)	Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				
c)	Substantially degrade the existing visual character or quality of the site and its surroundings?				
d)	Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				

Significance Criteria

The proposed project impacts on aesthetics will be considered significant if:

- The project will block views from a scenic highway or corridor.
- The project will adversely affect the visual continuity of the surrounding area.
- The impacts on light and glare will be considered significant if the project adds lighting which would add glare to residential areas or sensitive receptors.

Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

I. a) & b) The proposed amendments do not require any changes in the physical environment that would obstruct any scenic vistas or views of interest to the public. In addition, no major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected. The reason for this determination is that any physical changes would occur at existing industrial or commercial sites. Therefore, no significant impacts adversely affecting existing visual resources such as scenic views or vistas, etc. are anticipated to occur.

I. b) & c) No new construction of buildings or other structures will result from the lowering of the VOC content in coatings so scenic resources will not be obstructed and the existing visual character of any site in the vicinity of affected operations will not be degraded. The purpose of AIM coatings is to improve the visual character and protect the surface of the product upon which the coating is applied. Defects in the appearance of the low-VOC coating after application, which could be

argued as less aesthetically pleasing, is not anticipated because the rule contains a compliance schedule sufficient for coating formulators to produce acceptable quality low-VOC products that exhibit the desired performance characteristics. In addition, compliant low-VOC coatings are currently available, being sold, used and proven to be just as durable as coatings formulated with conventional solvents.

I.d) There are no components in PAR 1113 or PAR 314 that would alter existing work practice, or require working at construction activities at night, and therefore, the proposed project is not expected to create a new source of substantial light or glare that would adversely affect day or nighttime views in an area.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on aesthetics.

Based upon these considerations, significant adverse aesthetics impacts are not anticipated from PAR 1113 and PAR 314. Since no significant aesthetics impacts were identified, no mitigation measures are necessary or required.

II. AGRICULTURE AND FOREST RESOURCES.

XX 7		Potentially Significant Impact	Less Than Significant With	Less Than Significant Impact	No Impact
WOL	ild the project:	_	Mitigation	_	
a)	Farmland, or Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland mapping and Monitoring Program of the California Resources Agency, to non- agricultural use?				
b)	Conflict with existing zoning for agricultural use, or a Williamson Act contract?				
c)	Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code §12220(g)), timberland (as defined by Public Resources Code §4526), or timberland zoned Timberland Production (as defined by Government Code §51104 (g))?				
d)	Result in the loss of forest land or				\checkmark

d) Result in the loss of forest land or conversion of forest land to non-forest use?

Significance Criteria

Project-related impacts on agriculture and forest resources will be considered significant if any of the following conditions are met:

- The proposed project conflicts with existing zoning or agricultural use or Williamson Act contracts.
- The proposed project will convert prime farmland, unique farmland or farmland of statewide importance as shown on the maps prepared pursuant to the farmland mapping and monitoring program of the California Resources Agency, to non-agricultural use.
- The proposed project conflicts with existing zoning for, or causes rezoning of, forest land (as defined in Public Resources Code §12220(g)), timberland (as defined in Public Resources Code §4526), or timberland zoned Timberland Production (as defined by Government Code § 51104 (g)).
- The proposed project would involve changes in the existing environment, which due to their location or nature, could result in conversion of farmland to non-agricultural use or conversion of forest land to non-forest use.

Discussion

PAR 1113 would require lower VOC limits for some categories, change some coating categories, and restrict the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

II. a), b), c), & d) As previously discussed, no major construction is associated with the lowering of the VOC content of affected coating categories. The manufacture of compliant architectural coatings would not require converting farmland to non-agricultural uses because the manufacture of compliant architectural coatings is expected to occur completely within the confines of existing affected industrial facilities. The use of architectural coatings that would be required to comply with the proposed VOC content limits is expected to be similar to the use of existing architectural coatings, which typically do not affect farm or agricultural practices, as such coatings are typically used in urban, commercial or industrial areas. For the same reasons, PAR 1113 would not result in the loss of forest land or conversion of forest land to non-forest use.

Therefore, the proposed project would not result in any construction of new buildings or other structures that would convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland mapping and Monitoring Program of the California Resources Agency farmland to non-agricultural use or conflict with zoning for agricultural use or a Williamson Act contract. Since the proposed project would not substantially change the equipment or process in which the coatings are applied, there are no provisions in the proposed amended rule that would affect land use plans, policies, or regulations. Land use and other planning considerations are determined by local governments and no land use or planning requirements will be altered by the proposed project.

The proposed project is not expected to conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code §12220(g)), timberland (as defined by Public Resources Code §4526), or timberland zoned Timberland Production (as defined by Government Code §51104 (g)) or result in the loss of forest land or conversion of forest land to non-forest use.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on agriculture and forest resources.

Based on the above considerations, significant adverse impacts to agriculture resources are not expected from PARs 1113 and 314. Since there are no significant adverse impacts, no mitigation measures are required.

III. AIR QUALITY AND GREENHOUSE GAS EMISSIONS

		Potentially Significant Impact	Less Than Significant With	Less Than Significant Impact	No Impact
Wo	ould the project:		Mitigation		
a)	Conflict with or obstruct implementation of the applicable air quality plan?				
b)	Violate any air quality standard or contribute to an existing or projected air quality violation?				
c)	Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non- attainment under an applicable federal or state ambient air quality standard (including releasing emissions that exceed quantitative thresholds for ozone precursors)?				
d)	Expose sensitive receptors to substantial pollutant concentrations?			V	
e)	Create objectionable odors affecting a substantial number of people?				
f)	Diminish an existing air quality rule or future compliance requirement resulting in a significant increase in air pollutant(s)?				
g)	Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?				
h)	Conflict with an applicable plan, policy or regulation adopted for the purpose of				V

Significance Criteria

gases?

reducing the emissions of greenhouse

To determine whether or not air quality impacts from adopting and implementing the proposed project are significant, impacts will be evaluated and compared to the criteria in Table 2-1. The project will be considered to have significant adverse air quality impacts if any one of the thresholds in Table 2-1 are equaled or exceeded.

To determine whether or not greenhouse gas emissions from the proposed project may be significant, impacts will be evaluated and compared to the 10,000 MT CO2/year threshold for industrial sources for SCAQMD lead agency projects.

Mass Daily Thresholds ^a				
Pollutant		Construction ^b	Operation ^c	
NOx		100 lbs/day	55 lbs/day	
VOC		75 lbs/day	55 lbs/day	
PM10		150 lbs/day	150 lbs/day	
PM2.5		55 lbs/day	55 lbs/day	
SOx		150 lbs/day	150 lbs/day	
СО		550 lbs/day	550 lbs/day	
Lead		3 lbs/day	3 lbs/day	
Toxic Air Con	tamina	nts (TACs), Odor, and GH	IG Thresholds	
TACs (including carcinogens and non-carcin	ogens)	 Maximum Incremental Cancer Risk ≥ 10 in 1 million cancer Burden > 0.5 excess cancer cases (in areas ≥ 1 in 1 mil Chronic & Acute Hazard Index > 1.0 (project increment) 		
Odor		Project creates an odor nuisa	ance pursuant to SCAQMD Rule 402	
GHG		10,000 MT/yr CO2eq for industrial facilities		
Ambient Air Quality Standards for Criteria Pollutants ^d			Pollutants ^d	
NO2 1-hour average		SCAQMD is in attainment; project is significant if it causes or contributes to an exceedance of the following attainment standards: 0.18 ppm (state) 0.03 ppm (state) and 0.0534 ppm (federal)		
PM10 24-hour average annual average		10.4 μg/m ³ (construct	tion) ^e & 2.5 μg/m ³ (operation) 1.0 μg/m ³	
PM2.5 24-hour average		10.4 μ g/m ³ (construct	tion) ^e & 2.5 μ g/m ³ (operation)	
SO2 1-hour average 24-hour average		0.25 ppm (state) & 0.075 ppm (federal – 99 th percentile 0.04 ppm (state)		
Sulfate 24-hour average		$25 \ \mu g/m^3 (state)$		
CO 1-hour average 8-hour average		SCAQMD is in attainment; project is significant if it causes contributes to an exceedance of the following attainment stand 20 ppm (state) and 35 ppm (federal) 9.0 ppm (state/federal)		
Lead 30-day Average Rolling 3-month average		1.5 0.15 µ	μg/m ³ (state) μg/m ³ (federal)	

Table 2-1 SCAQMD Air Quality Significance Thresholds

^a Source: SCAQMD CEQA Handbook (SCAQMD, 1993)

^b Construction thresholds apply to both the South Coast Air Basin and Coachella Valley (Salton Sea and Mojave Desert Air Basins).

⁶ Ambient air quality threshold based on SCAOMD Rule

^e Ambient air quality threshold based on SCAQMD Rule 403.

KEY:lbs/day = pounds per dayppm = parts per million $\mu g/m^3 = microgram per cubic meterMT/yrCO2eq = metric tons per year of CO2 equivalents$

^c For Coachella Valley, the mass daily thresholds for operation are the same as the construction thresholds. ^d Ambient air quality thresholds for criteria pollutants based on SCAQMD Rule 1303, Table A-2 unless otherwise stated.

 $[\]geq$ = greater than or equal to > = greater than

Discussion

PAR 1113 would require lower VOC limits for some categories, change some coating categories, and restrict the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

III. a) The SCAQMD is required by law to prepare a comprehensive district-wide Air Quality Management Plan (AQMP) which includes strategies (e.g., control measures) to reduce emission levels to achieve and maintain state and federal ambient air quality standards, and to ensure that new sources of emissions are planned and operated to be consistent with the SCAQMD's air quality goals. The air pollution reduction strategies in the AQMP include control measures which target stationary, area, mobile and indirect sources. These control measures are based on feasible methods of attaining ambient air quality standards. Pursuant to the provisions of both the state and federal Clean Air Acts (CAA)s, the SCAQMD is required to attain the state and federal ambient air quality standards for all criteria pollutants, including lead.

PAR 1113 would not conflict with or obstruct air quality plan implementation, but rather would implement, in part, control measure CM#2012 CTS-01 - Further VOC Reductions from Architectural Coatings from the 2012 AQMP, which was developed for the primary purpose of controlling emissions to attain and maintain all federal and state ambient air quality standards for the district. The 2012 AQMP concluded that major reductions in emissions of VOC and NOx are necessary to attain the air quality standards for ozone and PM10. VOC emissions cause the formation of ozone and PM10 (particulate matter less than 10 microns in size), two pollutants that exceed the state and national ambient air quality standards. VOCs react photochemically with oxides of nitrogen (NOx) to form ozone. Ozone is a strong oxidizer that irritates the human respiratory system and damages plant life and property. VOCs also react in the atmosphere to form PM10, a pollutant that adversely affects human health and limits visibility. Because these small particulates penetrate into the deepest regions of the lung, they affect pulmonary function and have even been linked to increased deaths. The VOC emissions from this industry will be reduced 0.89 tons per day by 2019 as a result of implementing the proposed project, thus providing a direct air quality benefit. This VOC emission reduction will assist the SCAQMD's progress in attaining and maintaining the ambient air quality standards for ozone.

PAR 1113 would reduce VOC emissions and therefore, be consistent with the goals of the AQMP. Therefore, implementing PAR 1113, which would further reduce VOC emissions, would not conflict or obstruct implementation of the AQMP.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on air quality and greenhouse gases.

III. b) and f) Criteria Pollutants

Construction Impacts

The proposed project would only affect the future formulation of architectural coatings, which is not expected to require physical changes or modifications involving construction activities. Thus, no construction air quality impacts will result from the proposed project.

Operational Impacts

PAR 1113 is only expected to have a direct and beneficial effect on VOC emissions; thereby reducing some criteria pollutants (secondary formation of Ozone and PM). Because of the narrow regulatory focus of Rule 1113, no other criteria pollutants are expected to be directly affected by PAR 1113.

Changes to Coating Categories

Carving out new coating categories with the same VOC content limit as the categories they are currently identified with under the existing Rule 1113 is not expected to generate any air quality impacts. Coating categories that have been separated to form new categories are presented in Table 2-2. Under these scenarios, some categories would not have any changes to the VOC content limit or there would not be any changes in manufacturing or applying the affected coatings because there are no changes to the VOC content limit. New VOC limits will be placed on the new categories: Color Indicating Safety Coatings and Tub and Tile Coatings. No physical changes or increase in emissions will occur from these new categories because it is currently is what is occurring.

Existing Rule 1113 Coating Category	PAR 1113 Additional/New Coating Category	VOC Emissions Change
Waterproofing Sealer Category	New Building Envelope Coatings category	Propose same VOC content limit (100 grams per liter), then by 1/1/2019, lower to 50 g/L
Industrial Maintenance	Color Indicating Safety Coatings	Higher VOC limit (480 g/L),these coatings were previously sold under the SCE
Waterproofing Concrete/Masonry Sealers	New Tile and Stone Sealers	Same VOC content limit (100 grams per liter), so no change in VOC emissions
Industrial Maintenance	Tub and Tile Coatings	Higher VOC limit (420 g/L),these coatings were previously sold under the SCE
Primer, Sealer, and Undercoater	Wood Conditioner	Same VOC limit (100 g/L) so no change in VOC emissions

Table 2-2 Changes to Coating Categories

Architectural Coatings Affected by PAR 1113 Where the VOC Content Limit Has Been Increased, but VOC Emissions will not Increase

Graphic Arts Coatings

During the 2011 amendment to Rule 1113, the VOC limit was reduced for graphic arts coatings from 500 g/L to 150 g/L based on the coatings that were available at that time. Staff projected an emission reduction of 0.003 tpd when the lower limit was adopted. Since that amendment, the manufacturer who was producing the graphic arts coatings that were less than 150 g/L went out of business. The only graphic arts coatings currently available are being sold under the SCE (Small Container Exemption). The largest manufacturer of these coatings has stated that they will not reformulate to 150 g/L, but the coatings can be formulated to 200 g/L in order to accommodate customers with large projects who prefer to purchase the coatings in one gallon containers instead of multiple quart containers. As there currently are no compliant sales of these coatings, staff is not projecting any emissions increase from this change. Even though the proposed VOC limit is being increased, it is actually resulting in reformulation to a lower-

VOC product line. Graphic arts coatings will continue to be sold under the SCE at a high-VOC than the proposed 200 g/L, but this rule change will result in the availability of a lower-VOC option supplied in one-gallon or small containers.

Architectural Coatings Affected by PAR 1113 Where the VOC Content Limit Has Been Reduced

PAR 1113 would reduce the VOC content limits for Building Envelope Coatings and Recycled Coatings, and reduce the number of coatings eligible for the Small Container Exemption. Table 2-3 presents the existing and the proposed VOC content limits.

Category	Existing Limit (g/L)	PAR 1113 New Limit (g/L)
Building Envelope Coatings	100	50
Recycled Coatings	250	150
Nonflat Coatings	150	-100
Flat Coatings	250	50
Industrial Maintenance Coatings	4 20	-100
Rust Preventative Coatings	400	-100
Reactive Penetrating Sealers (SCE)	<u>Unlimited</u>	<u>350</u>
Shellacs (SCE)		<u>100</u>
Clear	Unlimited	<u>730</u>
Pigmented	Unlimited	<u>550</u>
Tub and Tile (SCE)	Unlimited	<u>420</u>

Table 2-3 Architectural Coatings New VOC Limits

Table 2-3A Architectural Coatings New VOC Limits

<u>Category</u>	Existing Limit (g/L)	<u>PAR 1113 New</u> Limit (g/L)	Effective Date
Building Envelope Coating	<u>100</u>	<u>50</u>	<u>01/01/19</u>
Recycled Coatings	<u>250</u>	<u>150</u>	<u>01/01/19</u>

<u>Category</u>	<u>Change</u>	Effective Date	<u>Reason</u>	Emission Reduction (tpd)
<u>Concrete-Curing</u> <u>Compounds For</u> <u>Roadways and Bridges</u>	<u>Eliminating</u> Exemption	01/01/16 Upon rule adoption	Exemption not used	<u>N/A</u>
<u>Magnesite Cement</u> <u>Coatings</u>	<u>Eliminating</u> Exemption	01/01/16 Upon rule adoption	Exemption not used	<u>N/A</u>
<u>Multi-Color Coatings</u>	<u>Eliminating</u> Exemption	01/01/16 Upon rule adoption	Exemption not used	<u>N/A</u>
<u>Pre-Treatment Wash</u> <u>Primers</u>	<u>Eliminating</u> Exemption	01/01/16 Upon rule adoption	Exemption not used	<u>N/A</u>
<u>Roof Primers,</u> <u>Bituminous</u>	<u>Eliminating</u> Exemption	01/01/16 Upon rule adoption	Exemption not used	<u>N/A</u>
<u>Sacrificial Anti-Graffiti</u> <u>Coatings</u>	<u>Eliminating</u> Exemption	01/01/16 Upon rule adoption	Exemption not used	<u>N/A</u>
Stone Consolidants	<u>Eliminating</u> Exemption	01/01/16 Upon rule adoption	Exemption not used	<u>N/A</u>
Repair and Other Swimming Pool Coatings	<u>Eliminating</u> Exemption	01/01/16 Upon rule adoption	Exemption not used	<u>N/A</u>
Wood Preservatives	<u>Eliminating</u> Exemption	01/01/16 Upon rule adoption	Exemption not used	<u>N/A</u>
<u>Clear and Pigmented</u> <u>Shellacs</u>	Eliminating Exemption	01/01/18	<u>High-VOC</u> <u>specialty</u> <u>Category</u> (730g/L/550g/L)	<u>0.0007</u>

Table 2-3B	Architectural	Coatings	Affected b	oy Elim	ination	of SCE
		_		-		

<u>Category</u>	<u>Change</u>	Effective Date	<u>Reason</u>	Emission Reduction (tpd)
<u>Reactive Penetrating</u> <u>Sealers</u>	<u>Eliminating</u> Exemption	<u>01/01/18</u>	High-VOC specialty Category (350g/L)	<u>0.0001</u>
Tub and Tile Coatings	<u>Eliminating</u> Exemption	<u>01/01/18</u>	<u>High-VOC</u> <u>specialty</u> <u>Category</u> (420g/L)	<u>0.01</u>
<u>Flat Coatings</u>	Restricted to 8 ounce touch-up	<u>01/01/19</u>	<u>Large volume</u> <u>category –</u> <u>insignificant SCE</u> <u>sales</u>	<u>0.002</u>
Nonflat Coatings	Restricted to 8 ounce touch-up	<u>01/01/19</u>	Large volume of SCE sales	<u>0.15</u>
<u>Rust Preventative</u> <u>Coatings</u>	Restricted to 8 ounce touch-up	<u>01/01/19</u>	Large volume of SCE sales	<u>0.63</u>
Industrial Maintenance Coatings	<u>Restricted to 1 liter</u> touch up – no retail <u>sales</u>	<u>01/01/19</u>	Potential rule circumvention – <u>RPC re-</u> categorized as <u>IMC.</u>	<u>0.01</u>
<u>Color Indicating</u> <u>Safety Coatings</u>	<u>Restricted to 1 liter</u> touch up – no retail sales	<u>01/01/19</u>	<u>High-VOC</u> <u>specialty</u> <u>Category</u> (480g/L)	<u>N/A</u>
High Temperature IM	<u>Restricted to 1 liter</u> touch up – no retail <u>sales</u>	<u>01/01/19</u>	High-VOC specialty Category – Exemption not used (420g/L)	<u>N/A</u>
Non-Sacrificial Anti- Graffiti Coatings	<u>Restricted to 1 liter</u> <u>touch up – no retail</u> <u>sales</u>	01/01/19	Exemption not used	<u>N/A</u>
Zinc Rich Primers	Restricted to 1 liter touch up – no retail sales	01/01/19	Insignificant use of exemption	<u>0.03</u>

Table 2-3B Architectural Coating	gs Affected by	y Elimination of SCE	(concluded)
			~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~

## Building Envelope Coatings

Building Envelope coatings are currently included in the waterproofing sealer primary category with a VOC content limit of 100 grams per liter. PAR 1113 would establish a new category for Building Envelope Coatings with a VOC content limit of 50 grams per liter

effective January 1, 2019. Most of what is sold in SCAQMD jurisdiction currently meets the 50 g/L limit. Staff believes this compliance threshold is achievable through reformulation or cessation of the sale of any remaining non-compliant products. There will be a total of 0.005 tpd of VOC reductions from this restriction (see Table 2-4 for details).

Therefore, no adverse air quality impacts are expected.

## Recycled Coatings

The maximum VOC content of currently available recycled coatings sold in SCAQMD jurisdiction is 130 g/L, despite a current limit of 250 g/L. Staff is proposing to lower the VOC limit to just above the level of currently available coatings to 150 g/L effective <u>upon</u> rule adoption on 1/1/2016. This change is not to seek emission reductions, but to have the VOC limits reflect what is being offered for sale. Since all recycled coatings currently comply with PAR 1113, no changes in manufacturing or application of these products is anticipated. There will be a total of 0.09 tpd of VOC reductions from this restriction (see Table 2-4 for details).

Therefore, no adverse air quality impacts are expected.

## Changes to the Small Container Exemption (SCE)

Under PAR 1113, there will be two four major changes to the SCE:

- 1. Disallowing the exemption for specialty coating categories not using the exemptionand limiting their VOC limit for the following categories, effective upon rule adoption on  $\frac{1}{1/2016}$ :
  - Concrete-Curing Compounds For Roadways and Bridges
  - Color Indicating Safety Paint
  - Magnesite Cement Coatings
  - Multi-Color Coatings
  - Non-Sacrificial Anti-Graffiti Coatings
  - Pre-Treatment Wash Primers
  - Roof Primers, Bituminous
  - Sacrificial Anti-Graffiti Coatings
  - Clear and Pigmented Shellacs
  - Stone Consolidants
  - Repair and Other Swimming Pool Coatings
  - Wood Preservatives
  - Tub and Tile Coatings

This will not result in VOC reductions as this is currently what is occurring. Therefore, no adverse air quality impacts are expected.

- 2. The SCE will no longer be available <u>Restricting the exemption</u> for <u>the following categories:</u> flat, nonflat, some industrial maintenance, <u>color indicating safety</u> and rust preventative coatings because of their high volume of sales.
  - <u>Flat</u>
  - <u>Nonflat</u>

- <u>Industrial Maintenance (IM) Coatings including: Color Indicating Safety Coatings,</u> <u>High Temperature IM Coatings, Non-Sacrificial Anti-Graffiti Coatings and Zinc-</u> <u>Rich IM Primers</u>
- <u>Rust Preventative Coatings.</u>
- 3. For the SCE restrictions, the lower VOC products are already available by most, if not all manufacturers. There will be some higher-VOC product lines that will no longer be available in the SCAQMD, but in all instances, considerable quantities of compliant coatings are currently being sold. Some Rust Preventative Coatings (RPC) would have to be reformulated with water-based or exempt compounds. The other manufacturers already contain a large number of product compliant line coatings. There will be a total of 0.792 0.827 tpd of VOC reductions from this restriction (see Table 2-4 for details)-
- 4. Disallowing the exemption for specialty categories, effective on 1/1/2018: and limiting their VOC limit for the following categories
  - <u>Clear and Pigmented Shellacs</u>
  - <u>Reactive Penetrating Sealers</u>
  - Tub and Tile Coatings

## Secondary Criteria Pollutant Emissions from Operation

Manufacturing and operating practices for PAR 1113 compliant coatings would be similar to existing manufacturing and operating practices (i.e., no equipment or operational changes are expected to occur). Coatings are expected to be manufactured at the same facilities with the same types of equipment as existing coatings. Transportation of coating components and coatings is also expected to be similar or less. Low-VOC coatings typically use less solvent, which would require less raw material trips. Products are still expected to be sent to the same retailer, repackaging facilities, and end users. Therefore, impacts are less than significant.

#### Summary of Operational VOC Emissions and Emission Reductions

The total operational effects on VOC emissions as a result of adopting and implementing PAR 1113 are presented in Table 2-4 (See Appendix C for detailed calculations). PAR 1113 would result in VOC emissions reductions once fully implemented. As a result, PAR 1113 is expected to result in an operational air quality benefit. Therefore, PAR 1113 is not expected to create significant adverse operational air quality impacts.

	VOC Emission Reductions (tpd)			
Description	2016	<u>2018</u>	2019	Totals
Building Envelope Coatings			<u>0.005</u> 0.01	0. <u>01<del>05</del></u>
Recycled Coating	<del>0.09</del>		<u>0.06</u>	0. <u>06<del>9</del></u>
SCE Restrictions:				
Nonflat Coatings			0.15	0.15
Flat Coatings			0.002	0.002
Industrial Maintenance Coatings			0.01	0.01
Rust Preventative Coatings			0.63	0.63
Zinc Rich Primers			<u>0.03</u>	0.03
Reactive Penetrating Sealers		<u>0.0001</u>		0.0001
Clear and Pigmented Shellacs		<u>0.0007</u>		<u>0.0007</u>
Tub and Tile Coatings		<u>0.01</u>		<u>0.01</u>
Total VOC Emission Reductions	<del>0.09</del>	<u>0.0108</u>	<u>0.87</u>	<u>0.88</u>

Table 2-4 Total VOC Emissions Reductions from PAR 1113

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on air quality and greenhouse gases.

## III. c) Cumulatively Considerable Impacts

The thresholds for cumulative impacts are the same as project-specific thresholds. Based on the foregoing analysis, criteria pollutant project-specific air quality impacts from implementing PAR 1113 would not exceed air quality significance thresholds (Table 2-1) and cumulative impacts are not expected to be significant for air quality. Potential adverse impacts from implementing PAR 1113 would not be "cumulatively considerable" as defined by CEQA Guidelines §15064(h)(1) for air quality impacts. Per CEQA Guidelines §15064(h)(3), the proposed project's incremental contribution to a cumulative effect is also not cumulatively considerable because the proposed project complies with the requirements of a previously approved air quality attainment or maintenance plan (SCAQMD's 2012 Air Quality Management Plan), as analyzed in Section III. a) above. Under that plan, sources of VOC emissions are reduced so as to meet air quality standards. Per CEQA Guidelines §15064(h)(4), the mere existence of significant cumulative impacts caused by other projects alone shall not constitute substantial evidence that the proposed project's incremental effects are cumulative considerable.

The SCAQMD guidance on addressing cumulative impacts for air quality is as follows: "As Lead Agency, the AQMD uses the same significance thresholds for project specific and cumulative impacts for all environmental topics analyzed in an Environmental Assessment or EIR." "Projects that exceed the project-specific significance thresholds are considered by the SCAQMD to be cumulatively considerable. This is the reason project-specific and cumulative significance
thresholds are the same. Conversely, projects that do not exceed the project-specific thresholds are generally not considered to be cumulatively significant."¹

This approach was upheld by the Court in Citizens for Responsible Equitable Environmental Development v. City of Chula Vista (2011) 197 Cal. App. 4th 327, 334. The Court determined that where it can be found that a project did not exceed the SCAQMD's established air quality significance thresholds, the City of Chula Vista properly concluded that the project would not cause a significant environmental effect, nor result in a cumulatively considerable increase in these pollutants. The court found this determination to be consistent with CEQA Guidelines §15064.7, stating: "The lead agency may rely on a threshold of significance standard to determine whether a project will cause a significant environmental effect." The court found that, "[a]lthough the project will contribute additional air pollutants to an existing nonattainment area, these increases are below the significance criteria . . . Thus, we conclude that no fair argument exists that the Project will cause a significant unavoidable cumulative contribution to an air quality impact." As in Chula Vista, here the District has demonstrated that, when using accurate and appropriate data and assumptions, the project will not exceed the established SCAQMD significance thresholds. See also Rialto Citizens for Responsible Growth v. City of Rialto (2012) 208 Cal. App. 4th 899. Here again the court upheld the SCAQMD's approach to utilizing the established air quality significance thresholds to determine whether the impacts of a project would be cumulatively considerable. Thus, it may be concluded that the Project will not cause a significant unavoidable cumulative contribution to an air quality impact.

Based on the foregoing analysis, project-specific air quality impacts from implementing the proposed project would not exceed air quality significance thresholds (Table 2-1); therefore, cumulative impacts are not expected to be significant for air quality. Per CEQA Guidelines § 15064(h)(4), the mere existence of significant cumulative impacts caused by other projects alone shall not constitute substantial evidence that the proposed project's incremental effects are "cumulative considerable." Thus, potential adverse impacts from the proposed project would not be cumulatively considerable for air quality impacts.

# III. d) Toxic Air Contaminants (TAC)

# Construction

The proposed project would only affect the future formulation of architectural coatings, which is not expected to require physical changes or modifications involving construction activities. Thus, no construction air quality impacts will result from the proposed project.

# Operation

# Reformulation of Coatings

To comply with PAR 1113, some coatings manufacturers may need to reformulate existing coatings. Since a majority of the manufacturers have an existing compliant line, with lower levels of VOCs (and in general lower levels of toxics) it is expected for there to be an overall reduction in toxics use with the implementation of PAR 1113. Although not likely, it is possible that

¹ SCAQMD Cumulative Impacts Working Group White Paper on Potential Control Strategies to Address Cumulative Impacts From Air Pollution, August 2003, Appendix D, Cumulative Impact Analysis Requirements Pursuant to CEQA, at D-3, http://www.aqmd.gov/docs/default-source/Agendas/Environmental-Justice/cumulative-impacts-working-group/cumulative-impacts-white-paper-appendix.pdf?sfvrsn=4.

reformulated materials could be formulated with toxic products. The following analysis demonstrates that PAR 1113 would not expose sensitive receptors to substantial exposures to air toxics.

Coatings affected by PAR 1113 may need to be reformulated to meet proposed VOC content limits or to meet current limits due to the phase out of the small container exemption. Coating components may have differing toxicity characteristics. To evaluate the potential adverse toxics impacts from PAR 1113, SCAQMD staff used Rule 314 data for products sold in 2014. Based on discussions with coating manufacturers, the types of solids in affected coatings are not expected to change as a result of implementing PAR 1113, only either low-VOC colorant formulation or water-based formulation.

Assuming that coatings reformulated to comply with PAR 1113 would be similar to existing coatings that already comply with Rule 1113, architectural coatings in the Rule 314 data that had VOC contents that are equal or less than those proposed for PAR 1113 were used as surrogates to evaluate health impacts from reformulated coatings. Information from new architectural coatings that had VOC contents that are equal or less than those proposed for PAR 1113, but were not included in Rule 314 data were also added. Based on the above analysis, there would be no additional health impacts from these reformulated coatings.

# Toxic Air Contaminant Reformulated Coatings Conclusion

Many higher VOC-containing coatings also contain toxic air contaminants, so by reducing the VOC content limit, the amount of these air toxics is generally reduced or replaced to comply with the lower VOC content limit. Based on the preceding evaluation, no increase in air toxics is expected from coating reformulation that may be required by PAR 1113. Affected toxic air contaminants (i.e., toxic air contaminants that would be affected by changes to VOC content limits) found in PAR 1113 compliant coatings are expected to be reduced by the proposed project. Therefore, PAR 1113 is not expected to be significant for adverse air toxic impacts from reformulation of architectural coatings to meet the proposed lower VOC content limits.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on air quality and greenhouse gases.

# III. e) Odor Impacts

PAR 1113 will require the reduction of the VOC content limit from various coating categories, which will require coating manufacturers to formulate with solvents that emit less VOCs. To comply with the lower VOC content limits, some architectural coatings will be water-based. Water-based coatings have less solvent than existing solvent-based coatings. Based on site visit comparisons between a solvent-based coating manufacturing facility and a water-based coating manufacturing facility, facilities that convert to water-based coatings are assumed to have a beneficial effect on potential nuisance odor.

Affected facilities are not expected to create objectionable odors affecting a substantial number of people for the following reasons: 1) fewer odorous compounds in water-based coatings; and 2) the use of future compliant materials must comply with all applicable SCAQMD rules and regulations.

In summary, the overall reduction in solvent use is expected to reduce odors from coatings. Therefore, PAR 1113 is not expected to create new objectionable odors that would affect a significant number of people and the impact is less than significant.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on air quality and greenhouse gases.

# III. g) and h) Greenhouse Gas Impacts

Global warming is the observed increase in average temperature of the earth's surface and atmosphere. The primary cause of global warming is an increase of greenhouse gas (GHG) emissions in the atmosphere. The six major types of GHG pollutants are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulfur hexafluoride (SF₆), hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs). The GHG pollutants absorb longwave radiant energy emitted by the earth, which warms the atmosphere. The GHGs also emit longwave radiation both upward to space and back down toward the surface of the earth. The downward part of this longwave radiation emitted by the atmosphere is known as the "greenhouse effect."

The current scientific consensus is that the majority of the observed warming over the last 50 years can be attributable to increased concentration of GHG emissions in the atmosphere due to human activities. Events and activities, such as the industrial revolution and the increased consumption of fossil fuels (e.g., combustion of gasoline, diesel, coal, etc.), have heavily contributed to the increase in atmospheric levels of GHG emissions. As reported by the California Energy Commission (CEC), California contributes 1.4 percent of the global and 6.2 percent of the national GHG emissions (CEC, 2004). Further, approximately 80 percent of GHG emissions in California are from fossil fuel combustion (e.g., gasoline, diesel, coal, etc.).

GHGs are typically reported as CO₂ equivalent emissions (CO₂e). CO₂e is the amount of CO₂ that would have the same global warming potential (relative measure of how much heat a greenhouse gas traps in the atmosphere) as a given mixture and amount of other greenhouse gases. CO₂e is estimated by the summation of mass of each GHG multiplied by its global warming potential (global warming potentials: CO₂ = 1, CH₄ = 21, N₂O = 310, etc.).²

# Construction

The proposed project would only affect the future formulation of architectural coatings, which is not expected to require physical changes or modifications involving construction activities. Thus, no construction air quality impacts will result from the proposed project.

## Operation

PAR 1113 is not expected to alter manufacturing processes (other than reformulating coatings) and coating use. No GHG compounds were identified in MSDSs of existing coatings that comply with PAR 1113, and since reformulated coatings are expected to be similar to existing coatings that are already compliant with PAR 1113, reformulated coatings are not expected to generate GHG emissions.

² California Air Resource Board Conversion Table: <u>http://www.arb.ca.gov/cc/facts/conversiontable.pdf</u>

Therefore, PAR 1113 is not expected to generate GHG emission, either directly or indirectly, that may have a significant impact on the environment. In addition, PAR 1113 does not conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of GHG gases.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on air quality and greenhouse gases.

# Conclusion

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on air quality and greenhouse gases. Because of its minor effect on coating formulations compared to existing conditions, PAR 1113 would have a less than significant impact on potential toxic impacts and odor causing impacts on sensitive receptors and no other air quality impacts.

Based upon these considerations, the proposed project would not generate significant adverse construction or operational air quality impacts and, therefore, no further analysis is required or necessary and no mitigation measures are necessary or required.

# IV. BIOLOGICAL RESOURCES.

Would the project:

- Have a substantial adverse effect, either a) directly through habitat or modifications. on anv species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?
- b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?
- c) Have a substantial adverse effect on federally protected wetlands as defined by §404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?
- d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?
- e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?
- f) Conflict with the provisions of an adopted Habitat Conservation plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?

Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
			Ø

# Significance Criteria

Impacts on biological resources will be considered significant if any of the following criteria apply:

- The project results in a loss of plant communities or animal habitat considered to be rare, threatened or endangered by federal, state or local agencies.
- The project interferes substantially with the movement of any resident or migratory wildlife species.
- The project adversely affects aquatic communities through construction or operation of the project.

# Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

**IV. a), b), & d)** Implementation of the proposed amendments will not cause impacts to sensitive habitats of plants or animals because they do not require acquisition of or construction on open space areas. The overall intent of the proposed amendments is to reduce VOC emissions from affected coating categories. Therefore, the proposed amendments to Rule 1113 will have no direct or indirect impacts that could adversely affect plant or animal species or the habitats on which they rely in the SCAQMD's jurisdiction. The overall net effect of implementing the proposed amended rule will be improved air quality resulting from reduced VOC emissions, which is expected to be beneficial for both plant and animal life. Modifications at existing affected coating manufacturers to switch to low-VOC coatings, such as water-based, would not require acquisition of additional land or further conversions of riparian habitats or sensitive natural communities where endangered or sensitive species may be found.

**IV. c)** Acquisition of protected wetlands is not expected to be necessary to switch to compliant coatings, such as water-based coatings. Affected coating contractors would continue to practice existing operating procedures so the proposed amended rule will not directly remove, fill or interrupt any hydrological system or have an adverse effect on federally protected wetlands. Since coating contractors typically operate in urbanized areas, it is not likely that disposal or accidental releases of coating materials would occur in areas that harbor federally protected wetlands as defined by § 404 of the Clean Water Act.

**IV. e) & f)** There are no provisions in the proposed amended rule that would adversely affect land use plans, local policies or ordinances, or regulations because the ultimate effect of PAR 1113 is to reduce VOC emissions from architectural coatings. Land use and other planning considerations are determined by local governments and no land use or planning requirements will be altered by the proposed project. Proposed amended Rule 1113 would not affect in any way habitat conservation or natural community conservation plans, agricultural resources or operations, and would not create divisions in any existing communities.

Additionally, the proposed project would not conflict with any adopted Habitat Conservation Plan, Natural Community Conservation Plan, or any other relevant habitat conservation plan, and would not create divisions in any existing communities because all activities associated with complying with PAR 1113 would occur at existing established industrial facilities. The SCAQMD, as the Lead Agency for the proposed project, has found that, when considering the record as a whole, there is no evidence that the proposed project would have potential for any new adverse effects on wildlife resources or the habitat upon which wildlife depends. Accordingly, based upon the preceding information, the SCAQMD has, on the basis of substantial evidence, rebutted the presumption of adverse effect contained in §753.5 (d), Title 14 of the California Code of Regulations. Further, in accordance with this conclusion, the SCAQMD believes that this proposed project qualifies for the no effect determination pursuant to Fish and Game Code §711.4 (c).

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on biological resources.

Based upon these considerations, significant adverse biological resources impacts are not anticipated. Therefore, no further analysis or mitigation measures are required or necessary.

# V. CULTURAL RESOURCES.

Would the project:

- a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?
- b) Cause a substantial adverse change in the significance of an archaeological resource as defined in §15064.5?
- c) Directly or indirectly destroy a unique paleontological resource, site, or feature?
- d) Disturb any human remains, including those interred outside formal cemeteries?
- e) Cause a substantial adverse change in the significance of a tribal cultural resource as defined in Public Resources Code §21074?

Potentially Significant Impact	Less Than Significant With	Less Than Significant Impact	No Impact
	Mitigation		

## Significance Criteria

Impacts to cultural resources will be considered significant if:

- The project results in the disturbance of a significant prehistoric or historic archaeological site or a property of historic, cultural significance, or tribal cultural significance to a community or ethnic or social group or a California Native American tribe.
- Unique paleontological resources or objects with cultural value to a California Native American tribe are present that could be disturbed by construction of the proposed project.
- The project would disturb human remains.

## Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

**V. a), b), c), & d)** There are existing laws in place that are designed to protect and mitigate potential impacts to cultural resources. PAR 1113 is not expected to affect archeological or cultural sites because reformulation of architectural coatings won't require major construction activities such as grading, trenching, etc. The application of architectural coatings typically occurs after site preparation and construction of structures has been completed. As a result, it is expected that archaeological resources would have already been assessed or if the new structure is at an existing residential, commercial or industrial site, then they have already been disturbed or protected. The

proposed revisions to Rule 1113 are, therefore, not anticipated to result in any activities, or promote any programs that could have a significant adverse impact on cultural resources in the district. As a result, the proposed project has no potential to cause a substantial adverse change to a historical or archaeological resource, directly or indirectly destroy a unique paleontological resource or site or unique geologic feature, or disturb any human remains, including those interred outside a formal cemeteries.

Based on the above discussion, the proposed project is not expected to create any significant adverse effect to a historical resource as defined in §15064.5; cause a new significance impact to an archaeological resource as defined in §15064.5; directly or indirectly destroy a unique paleontological resource, site, or feature; or disturb any human including those interred outside formal cemeteries.

**V. e)** PAR 1113 is not expected to require physical changes to a site, feature, place, cultural landscape, sacred place or object with cultural value to a California Native American Tribe. Furthermore, the proposed project is not expected to result in a physical change to a resource determined to be eligible for inclusion or listed in the California Register of Historical Resources or included in a local register of historical resources. For these reasons, the proposed project is not expected to cause any substantial adverse change in the significance of a tribal cultural resource as defined in Public Resources Code §21074.

It is important to note that as part of releasing this CEQA document for public review and comment, the SCAQMD also provided a formal notice of the proposed project to all California Native American Tribes (Tribes) that requested to be on the Native American Heritage Commission's (NAHC) notification list per Public Resources Code § 21080.3.1 (b)(1). The NAHC notification list provides a 30-day period during which a Tribe may respond to the formal notice, in writing, requesting consultation on the proposed project.

In the event that a Tribe submits a written request for consultation during this 30-day period, the SCAQMD will initiate a consultation with the Tribe within 30 days of receiving the request in accordance with Public Resources Code § 21080.3.1 (b). Consultation ends when either: 1) both parties agree to measures to avoid or mitigate a significant effect on a Tribal Cultural Resource and agreed upon mitigation measures shall be recommended for inclusion in the environmental document [see Public Resources Code § 21082.3 (a)]; or, 2) either party, acting in good faith and after reasonable effort, concludes that mutual agreement cannot be reached [see Public Resources Code § 21080.3.1 (b)(1)-(2) and § 21080.3.1 (b)(1)].

Based upon these considerations, significant adverse cultural resources impacts are not anticipated. Therefore, no further analysis or mitigation measures are required or necessary.

# VI. ENERGY.

		Potentially Significant Impact	Less Than Significant With	Less Than Significant Impact	No Impact
Wot	Ild the project:		Mitigation		
a)	Conflict with adopted energy conservation plans?				
b)	Result in the need for new or substantially altered power or natural gas utility systems?				V
c)	Create any significant effects on local or regional energy supplies and on requirements for additional energy?				
d)	Create any significant effects on peak and base period demands for electricity and other forms of energy?				
e)	Comply with existing energy standards?				V

## Significance Criteria

Impacts to energy and mineral resources will be considered significant if any of the following criteria are met:

- The project conflicts with adopted energy conservation plans or standards.
- The project results in substantial depletion of existing energy resource supplies.
- An increase in demand for utilities impacts the current capacities of the electric and natural gas utilities.
- The project uses non-renewable resources in a wasteful and/or inefficient manner.

#### Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

**VI. a)** & e) Lowering VOC content limits of affected architectural facilities will not conflict with adopted energy conservation plans or cause affected facilities to be out of compliance with existing energy standards because coating contractors are expected to continue current coating operations using the same or similar coating equipment, but using new formulations of coatings affected by PAR 1113. Because add-on control equipment is not expected to be used to comply with the provisions of PAR 1113, no additional energy use is expected to be required. Additionally, PAR 1113 will not substantially increase the number of businesses or amount of equipment in the district and, therefore, would not be expected to interfere with existing energy standards or future energy conservation plans because these are typically targeted to residential consumers, etc.

**VI. b), c) & d)** The architectural coating operations are not expected to change as a result of lowering the VOC content limit of affected coatings. Since there will be no additional demand for electricity, there will be no need for new or substantially altered power or natural gas utility

systems as a result of the proposed project. The proposed project will have a non-significant effect on the electricity capacity or demand and, therefore, no significant impact on peak or base demands for electricity.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on energy.

Based on the above consideration, significant adverse impacts to energy are not expected from PARs 1113 and 314. Since there are no significant adverse impacts, no mitigation measures are required or necessary.

#### VII. GEOLOGY AND SOILS.

Would the project:

- a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:
  - Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?
  - Strong seismic ground shaking?
  - Seismic-related ground failure, including liquefaction?
- b) Result in substantial soil erosion or the loss of topsoil?
- c) Be located on a geologic unit or soil that is unstable or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?
- d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?
- e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?

Impacts on the geological environment will be considered significant if any of the following criteria apply:

- Topographic alterations would result in significant changes, disruptions, displacement, excavation, compaction or over covering of large amounts of soil.
- Unique geological resources (paleontological resources or unique outcrops) are present that could be disturbed by the construction of the proposed project.
- Exposure of people or structures to major geologic hazards such as earthquake surface rupture, ground shaking, liquefaction or landslides.

Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
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- Secondary seismic effects could occur which could damage facility structures, e.g., liquefaction.
- Other geological hazards exist which could adversely affect the facility, e.g., landslides, mudslides.

#### Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

**VII.** a) Architectural coatings are applied to new and existing buildings, stationary structures, roads, etc. The proposed amendments affect coating formulators, sellers, and users and have no effects on geophysical formations in the district because the proposed project does not require or induce the construction of any structures. Coating activities and operations are not expected to change from current practice so the proposed amendments to Rule 1113 will not expose people to potential substantial adverse geological effects greater than what they are exposed to already. Lowering the VOC content limit of affected coating categories will not result in exposing people or structures to risks of loss, injury, or death involving: rupture of an earthquake fault, seismic ground shaking, ground failure or landslides.

**VII. b)** The proposed project will not require major construction activities (e.g., grading, trenching, refilling and repaying), so there are no potential impacts to existing geophysical conditions. No soil is expected to be disrupted because no new development will be required as a result of the proposed project. Therefore, no substantial soil erosion or loss of topsoil is expected from lowering the VOC content limit of affected coating categories.

VII. c) & d) The proposed project does not involve construction of new structures and, therefore, will not involve locating any structures on soil that is unstable or expansive. For this reason, no destabilization of unstable soils would be expected that could cause on- or off-site landslides, lateral spreading, subsidence, liquefaction or collapse.

**VII.** e) The proposed project does not involve the installation of septic tanks or alternative waste water disposal systems. Therefore, this type of soil impact will not occur.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on geology and soils.

Based upon these considerations, significant adverse geology and soil impacts are not anticipated. Therefore, no further analysis or mitigation measures are required or necessary.

# VIII. HAZARDS AND HAZARDOUS MATERIALS.

Would the project:

- a) Create a significant hazard to the public or the environment through the routine transport, use, and disposal of hazardous materials?
- b) Create a significant hazard to the public or the environment through reasonably foreseeable upset conditions involving the release of hazardous materials into the environment?
- c) Emit hazardous emissions, or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?
- d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code §65962.5 and, as a result, would create a significant hazard to the public or the environment?
- e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public use airport or a private airstrip, would the project result in a safety hazard for people residing or working in the project area?
- f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?
- g) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?
- h) Significantly increased fire hazard in areas with flammable materials?

Potentially Significant Impact	Less Than Significant With	Less Than Significant Impact	No Impact
		M	
			Ø
		V	

#### Significance Criteria

Impacts associated with hazards will be considered significant if any of the following occur:

- Non-compliance with any applicable design code or regulation.
- Non-conformance to National Fire Protection Association standards.
- Non-conformance to regulations or generally accepted industry practices related to operating policy and procedures concerning the design, construction, security, leak detection, spill containment or fire protection.
- Exposure to hazardous chemicals in concentrations equal to or greater than the Emergency Response Planning Guideline (ERPG) 2 levels.

#### Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

VIII.a), b), c) g) & h) PAR 1113 does not include provisions that would directly or indirectly dictate the use of any specific coating formulations. Persons who currently use architectural coatings would continue to have the flexibility of choosing the product formulation best suited for their needs. It is likely that persons who utilize these materials would choose architectural coatings that do not pose a substantial safety hazard. In addition, in response to increased customer awareness of toxic or hazardous materials and customer demand, colorant and architectural coating manufacturers have on their own attempted to reduce the amount of hazardous materials included in coatings.

#### **Toxics and Flammability**

Section III.d) evaluates toxics from affected architectural coatings. Based on a comparison of toxics identified in MSDSs from PAR 1113 non-compliant coatings and PAR 1113 compliant coatings, toxic concentrations in affected architectural coatings remain either the same or are reduced.

Assuming that coatings reformulated to comply with PAR 1113 would be similar to existing coatings that already comply with PAR 1113, architectural coatings in the Rule 314 data that had VOC contents that are equal or less than those proposed for PAR 1113 were used as surrogates to evaluate health impacts from reformulated coatings.

A number of physical or chemical properties may cause a substance to be a fire hazard. With respect to determining whether any conventional or replacement solvent is a fire hazard, Material Safety Data Sheets (MSDSs) list the National Fire Protection Association 704 flammability hazard ratings (i.e. NFPA 704). NFPA 704 is a "standard (that) provides a readily recognized, easily understood system for identifying flammability hazards and their severity using spatial, visual, and numerical methods to describe in simple terms the relative flammability hazards of a material³.

Although substances can have the same NFPA 704 Flammability Ratings Code, other factors can make each substance's fire hazard very different from each other. For this reason, additional

³ National Fire Protection Association, FAQ for Standard 704. http://www.nfpa.org/faq.asp?categoryID=928&cookie%5Ftest=1#23057

chemical characteristics, such as auto-ignition temperature, boiling point, evaporation rate, flash point, lower explosive limit (LEL), upper explosive limit (UEL), and vapor pressure, are also considered when determining whether a substance is fire hazard. The following is a brief description of each these chemical characteristics.

<u>Auto-ignition Temperature</u>: The auto-ignition temperature of a substance is the lowest temperature at which it will spontaneously ignite in a normal atmosphere without an external source of ignition, such as a flame or spark.

<u>Boiling Point:</u> The boiling point of a substance is the temperature at which the vapor pressure of the liquid equals the environmental pressure surrounding the liquid. Boiling is a process in which molecules anywhere in the liquid escape, resulting in the formation of vapor bubbles within the liquid.

<u>Evaporation Rate</u>: Evaporation rate is the rate at which a material will vaporize (evaporate, change from liquid to a vapor) compared to the rate of vaporization of a specific known material. This quantity is a represented as a unit-less ratio. For example, a substance with a high evaporation rate will readily form a vapor which can be inhaled or explode, and thus have a higher hazard risk. Evaporation rates generally have an inverse relationship to boiling points (i.e., the higher the boiling point, the lower the rate of evaporation).

<u>Flashpoint:</u> Flash point is the lowest temperature at which a volatile liquid can vaporize to form an ignitable mixture in air. Measuring a liquid's flash point requires an ignition source. At the flash point, the vapor may cease to burn when the source of ignition is removed. There are different methods that can be used to determine the flashpoint of a solvent but the most frequently used method is the Tagliabue Closed Cup standard (ASTM D56), also known as the TCC. The flashpoint is determined by a TCC laboratory device which is used to determine the flash point of mobile petroleum liquids with flash point temperatures below 175 degrees Fahrenheit (79.4 degrees Centigrade).

Flash point is a particularly important measure of the fire hazard of a substance. For example, the Consumer Products Safety Commission (CPSC) promulgated Labeling and Banning Requirements for Chemicals and Other Hazardous Substances in 15 U.S.C.§1261 and 16 CFR Part 1500. Per the CPSC, the flammability of a product is defined in 16 CFR Part 1500.3 (c)(6) and is based on flash point. For example, a liquid needs to be labeled as: 1) "Extremely Flammable" if the flash point is below 20 degrees Fahrenheit; 2) "Flammable" if the flash point is above 20 degrees Fahrenheit but less than 100 degrees Fahrenheit; or, 3) "Combustible" if the flash point is above 100 degrees Fahrenheit up to and including 150 degrees Fahrenheit.

Lower Explosive Limit (LEL): The lower explosive limit of a gas or a vapor is the limiting concentration (in air) that is needed for the gas to ignite and explode or the lowest concentration (percentage) of a gas or a vapor in air capable of producing a flash of fire in presence of an ignition source (e.g., arc, flame, or heat). If the concentration of a substance in air is below the LEL, there is not enough fuel to continue an explosion. In other words, concentrations lower than the LEL are "too lean" to burn. For example, methane gas has a LEL of 4.4 percent (at 138 degrees Centigrade) by volume, meaning 4.4 percent of the total volume of the air consists of methane. At 20 degrees Centigrade, the

LEL for methane is 5.1 percent by volume. If the atmosphere has less than 5.1 percent methane, an explosion cannot occur even if a source of ignition is present. When the concentration of methane reaches 5.1 percent, an explosion can occur if there is an ignition source.

<u>Upper Explosive Limit (UEL)</u>: The upper explosive limit of a gas or a vapor is the highest concentration (percentage) of a gas or a vapor in air capable of producing a flash of fire in presence of an ignition source (e.g., arc, flame, or heat). Concentrations of a substance in air above the UEL are "too rich" to burn.

<u>Vapor Pressure</u>: Vapor pressure is an indicator of a chemical's tendency to evaporate into gaseous form.

The types and amounts of flammable solvents in the coatings remained the same or were reduced or were eliminated in the PAR 1113 compliant coatings when compared to the PAR 1113 non-compliant coatings. Table 2-5 presents all flammable solvents identified in MSDS for coatings evaluated in this analysis and their flammable characteristics.

Traditional/Conventional Solvents							
Chemical Compounds	M.W.	Boiling Point (°F)	Flashpoint (°F)	Vapor Pressure (mmHg @ 68 °F)	Lower Explosive Limit (% by Vol.)	Flammability Classification (NFPA)*	
Stoddard Solvent	144	302 - 324	140	2	0.8	2	
Petroleum Distillates (Naptha)	100	314 - 387	105	40	1.0	4	
EGBE	118	340	141	0.6	1.1	2	
EGME	76	256	107	6	2.5	2	
EGEE	90	275	120	4	1.8	2	
		Repla	acement Solver	ıts			
Chemical Compounds	M.W.	Boiling Point (°F)	Flashpoint (°F)	Vapor Pressure (mmHg @ 68 °F)	Lower Explosive Limit (% by Vol.)	Flammability Classification (NFPA)*	
Acetone	58	133	1.4	180	2.6	3	
PCBTF (Oxsol 100)	181	282	109	5	0.90	1	

Table 2-5 Chemical Characteristics for Typical Coating Solvents

*National Fire Protection Association

0 = minimal; 1 = slight; 2 = moderate; 3 = serious; 4 = severe

For the Rust Preventative Coatings (RPC) Category, the primary replacement solvents are expected to be either acetone or parachlorobenzotrifluride (PCBTF). Acetone is more flammable and has a lower flash point than some solvents used currently. PCBTF generally poses an equal or lower fire hazard to existing solvents. Based on current formulations sold in SCAQMD, only one manufacturer may be affected in the RPC category by PAR 1113. While this manufacturer already has a product line that is compliant with Rule 1113, their product line that utilizes the existing Small Container Exemption in the current Rule 1113 will require reformulation. The manufacturer

will likely use the same formulation being used for their compliant line in their larger containers for their small container product line. Although these smaller containers necessarily contain less acetone than the larger containers already being sold with acetone, the manufacturer is already producing the compliant line and the product is being used by consumers, therefore, the reformulation will not result in a significant increase in fire hazards to the environment beyond existing conditions.

Some manufacturers will reformulate with water-based compounds and/or most likely use less of it to comply with PAR 1113 (instead of using hazardous solvents). Table 2-6 shows their flammable characteristics.

Traditional/Conventional Water Based							
Chemical	M.W.	Boiling	Flashpoint	Vapor	Lower	Flammability	
Compounds		Point		Pressure	Explosive	Classification	
				(mmHg @ 68	Limit	(NFPA)*	
		(°F)	(°F)	°F)	(% by Vol.)		
Propylene glycol	76	370	210	0.1	2.6	1	
EGBE	118	340	141	0.6	1.1	2	
EGME	76	256	107	6	2.5	2	
EGEE	90	275	120	4	1.8	2	
Replacement Water Based							
		Керше	chiefii water D	useu			
Chemical	M.W.	Boiling	Flashpoint	Vapor	Lower	Flammability	
Chemical Compounds	M.W.	Boiling Point	Flashpoint	Vapor Pressure	Lower Explosive	Flammability Classification	
Chemical Compounds	M.W.	Boiling Point	Flashpoint	Vapor Pressure (mmHg @ 68	Lower Explosive Limit	Flammability Classification (NFPA)*	
Chemical Compounds	M.W.	Boiling Point (°F)	Flashpoint (°F)	Vapor Pressure (mmHg @ 68 °F)	Lower Explosive Limit (% by Vol.)	Flammability Classification (NFPA)*	
Chemical Compounds Di-Propylene Glycol	<b>M.W.</b> 134	Boiling Point (°F) 451	(°F) 279	Vapor Pressure (mmHg @ 68 °F) 30	Lower Explosive Limit (% by Vol.) 1	Flammability Classification (NFPA)*	
Chemical Compounds Di-Propylene Glycol Propylene Glycol	<b>M.W.</b> 134 76	ReplaceBoiling Point(°F)451370	(°F) 279 210	Vapor           Pressure           (mmHg @ 68           °F)           30           0.1	Lower Explosive Limit (% by Vol.) 1 2.6	Flammability Classification (NFPA)*	
Chemical Compounds Di-Propylene Glycol Propylene Glycol Ethylene Glycol	<b>M.W.</b> 134 76 227	Replace           Boiling Point           (°F)           451           370           388	(°F) 279 210 232	Vapor Pressure (mmHg @ 68 °F) 30 0.1 0.06	Lower Explosive Limit (% by Vol.) 1 2.6 3.2	Flammability Classification (NFPA)*	

Table 2 ( Chamina)	Champatamistica	for Truning1	Watan Dagad	Casting
Table 2-6 Unemica	I Unaracteristics	TOF TVDICAL	water-Based	Coaling
		101 1 ) p100		000000

**VIII. d)** Government Code §65962.5 typically refers to a list of facilities that may be subject to Resource Conservation and Recovery Act (RCRA) permits. Since PAR 1113 relates to coatings, it is not expected to have direct impacts on facilities affected by Government Code §65962.5 Facilities affected by Government Code §65962.5 would still need to comply with any regulations relating to that code section. The use of PAR 1113 compliant coatings is not expected to interfere with existing hazardous waste management programs and based on analyses presented earlier in this section (VIII.a), b), c), & h)) and in Section III. Air Quality and Greenhouse Gases of this document, PAR 1113 may reduce the amount of hazardous materials in architectural coatings. Accordingly, PAR 1113 is not expected to result in a new significant impact to the public or environment from sites on lists compiled pursuant to Government Code §65962.5.

Lastly, affected facilities would be expected to continue to manage any and all hazardous materials and hazardous waste, in accordance with federal, state and local regulations.

**VIII.** e) Since the use of PAR 1113 compliant coatings is not expected to generate significant adverse new hazardous emissions in general or increase the manufacture or use of hazardous materials, the implementation of PAR 1113 is not expected to increase or create any new safety hazards to people working or residing in the vicinity of public/private airports. As stated above, PAR 1113 compliant coatings are expected to be reformulated with less toxic and hazardous material content than PAR 1113 non-compliant coatings.

**VIII. f)** As already noted PAR 1113 compliant coatings would likely be formulated with less toxic materials than PAR 1113 non-compliant coatings. Further, PAR 1113 compliant coatings are expected to be manufactured, transported, stored and applied in the same quantities as PAR 1113 non-compliant coatings. As a result, PAR 1113 is not expected to conflict with business emergency response plans. With respect to suppliers and sellers of affected architectural coatings, Health and Safety Code §25506 specifically requires all businesses handling hazardous materials to submit a business emergency response plan to assist local administering agencies in the emergency release or threatened release of a hazardous material. Business emergency response plans generally require the following:

- Identification of individuals who are responsible for various actions, including reporting, assisting emergency response personnel and establishing an emergency response team;
- Procedures to notify the administering agency, the appropriate local emergency rescue personnel, and the California Office of Emergency Services;
- Procedures to mitigate a release or threatened release to minimize any potential harm or damage to persons, property or the environment;
- Procedures to notify the necessary persons who can respond to an emergency within the facility;
- Details of evacuation plans and procedures;
- Descriptions of the emergency equipment available in the facility;
- Identification of local emergency medical assistance; and
- Training (initial and refresher) programs for employees in:
  - The safe handling of hazardous materials used by the business;
  - Methods of working with the local public emergency response agencies;
  - The use of emergency response resources under control of the handler; and
  - Other procedures and resources that will increase public safety and prevent or mitigate a release of hazardous materials.

In general, every county or city and all facilities using a minimum amount of hazardous materials are required to formulate detailed contingency plans to eliminate, or at least minimize, the possibility and effect of fires, explosion, or spills. In conjunction with the California Office of Emergency Services, local jurisdictions have enacted ordinances that set standards for area and

business emergency response plans. These requirements include immediate notification, mitigation of an actual or threatened release of a hazardous material, and evacuation of the emergency area. Based on the analysis in VIII.a), b), & c) and VIII.h), PAR 1113 coatings are expected to have similar or less hazardous properties than existing architectural coatings. Therefore PAR 1113 is not expected to impair the implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan.

**VIII. h)** PAR 1113 is expected to reduce the VOC content limits for specified coating categories primarily through reformulation of the solvent or water-based technologies. It is anticipated that the reformulation will primarily entail the use of water-based components or low-VOC materials which are less hazardous or flammable than the materials currently being used. Refer to the discussion in VIII b) and c) for the comparison of solvents currently used in the affected coatings versus the solvents used to reformulate the same coatings to a lower VOC content limit.

The Uniform Fire Code and Uniform Building Code set standards intended to minimize risks from flammable or otherwise hazardous materials. Local jurisdictions are required to adopt the uniform codes or comparable regulations. Local fire agencies require permits for the use or storage of hazardous materials and permit modifications for proposed increases in their use. Permit conditions depend on the type and quantity of the hazardous materials at the facility. Permit conditions may include, but are not limited to, specifications for sprinkler systems, electrical systems, ventilation, and containment. The fire departments make annual business inspections to ensure compliance with permit conditions and other appropriate regulations. Consequently, local fire departments ensure that adequate permit conditions are in place to protect against potential risk of upset from the use of hazardous materials. However, any use of hazardous materials at affected facilities is not expected to change and may even decrease as a result of implementing the proposed project.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on hazards and hazardous materials.

Based upon these considerations, significant adverse hazards and hazardous materials impacts are not anticipated. Therefore, no further analysis or mitigation measures are required or necessary.

# IX. HYDROLOGY AND WATER QUALITY.

Would the project:

- a) Violate any water quality standards, waste discharge requirements, exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board, or otherwise substantially degrade water quality?
- b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g. the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?
- c) Substantially alter the existing drainage pattern of the site or area, including through alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in substantial erosion or siltation on- or off-site or flooding on- or off-site?
- d) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?
- e) Place housing or other structures within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map, which would impede or redirect flood flows?
- f) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam, or inundation by seiche, tsunami, or mudflow?

Potentially Significant Impact	Less Than Significant With	Less Than Significant Impact	No Impact
	Mitigation		
		V	
			V
			V

		Potentially Significant Impact	Less Than Significant With	Less Than Significant Impact	No Impact
Wo	uld the project:		Mitigation		
g)	Require or result in the construction of new water or wastewater treatment facilities or new storm water drainage facilities, or expansion of existing facilities, the construction of which could cause significant environmental effects?				
h)	Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?			V	
i)	Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing				

# **Significance** Criteria

commitments?

Potential impacts on water resources will be considered significant if any of the following criteria apply:

Water Demand:

- The existing water supply does not have the capacity to meet the increased demands of the project, or the project would use more than 262,820 gallons per day of potable water.
- The project increases demand for total water by more than five million gallons per day. -

Water Quality:

- The project will cause degradation or depletion of ground water resources substantially affecting current or future uses.
- The project will cause the degradation of surface water substantially affecting current or future uses.
- The project will result in a violation of National Pollutant Discharge Elimination System (NPDES) permit requirements.
- The capacities of existing or proposed wastewater treatment facilities and the sanitary sewer system are not sufficient to meet the needs of the project.
- The project results in substantial increases in the area of impervious surfaces, such that interference with groundwater recharge efforts occurs.
- The project results in alterations to the course or flow of floodwaters. -

# Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

**IX.** a) & i) Lowering the VOC content limit of coatings at affected facilities will have no direct or indirect impact on hydrology and water quality because the reformulation of the coatings is not expected to change the current architectural coating operation practices or alter the coating formulations to be more detrimental to water quality. It is likely that coating formulators will replace conventional coating formulations and, as noted in Tables 2-5 and 2-6, may contain similar compounds, just less of it.

In the past the SCAQMD has received comments that with the increased use of waterborne technologies to meet the lower VOC content limits, there will be a greater trend of coating applicators to improperly dispose of the waste generated from these coatings into the ground, storm drains, or sewer systems. However, there are no data to support this contention. In any event, there are several reasons why there should be no significant increase over current practices for improper disposal due to greater use of water-borne coatings.

Results from a survey of contractors determined that a majority either dispose of the waste material properly as required by the coating manufacturer's MSDS or recycle the waste material regardless of type of coating. Based upon these results, there is no reason to expect that paint contractors will change their disposal practices, especially those that dispose of wastes properly, with the implementation of PAR 1113. There is also no reason to expect that illegal disposal practices will increase as a result of implementing PAR 1113.

State and federal regulations promote the development and use of coatings formulated with nonhazardous solvents. Based on discussions with coating formulators, the trend in coating technologies is to replace toxic/hazardous solvents with equal or less toxic/hazardous solvents. Therefore, wastewater which may be generated from reformulated coatings is expected to contain less hazardous materials than the wastewater generated for solvent-based coating operations, thereby reducing toxic influent to the Publicly Owned Treatment Works (POTWs).

Consumer and user outreach and education programs such as the PaintCare stewardship program created by the ACA to recycle or dispose of unwanted paint, the ACA's "Protocol for Management of Post Consumer Paint," and the SCAQMD's "Painter's Guide to Clean Air" provide the public and painting contractors with information on environmentally sound coating disposal practices. These public outreach programs are expected to reduce the amount of coating waste material entering the sewer systems, storm drainage systems, and that would be dumped on the ground, therefore, further reducing any water quality impacts associated with the improper disposal of compliant coatings.

The EPA in its Report to Congress entitled "Study of Volatile Organic Compound Emissions from Consumer and Commercial Products" evaluated consumer products to determine which categories were likely to be disposed of to POTWs. The study found that the likelihood of paints, primers, and varnishes being disposed of to POTWs was low. Therefore, this category was not even evaluated for its VOC emission impacts on POTWs. This suggests that the presence of solvents from this category of consumer products in wastewater streams is very low compared to the total volume of solvents being disposed of from other consumer product categories.

To evaluate potential water quality impacts from PAR 1113, it is assumed that future compliant AIM coatings will be formulated primarily with water-borne technologies, though a percentage of reformulations will involve exempt solvents. As a result, more water will be used for clean-up and the resultant wastewater material could be disposed of into the public sewer system. It is anticipated that current coating equipment (i.e., spray guns, rollers, and brushes) clean-up practices of using water will continue into the future. Table 2-7 illustrates the "worst-case" potential increase of waste material likely to be received by POTWs in the district as a result of implementing PAR 1113. POTW's average daily flow is based on historical wastewater flow in the district. See Appendix C for details on estimated usage.

Year	POTW Average	POTW	Estimated	Coatings Disposal	<b>Total Impacts</b>
	Daily Flow ^a	Capacity ^b	Usage	Daily Flow ^c	(% Increase to
	(mgd)	(mgd)	(mgd)	(mgd)	POTW capacity)
2014	1,535.6	2,369.5	3.3 x 10 ⁻⁴	3.3 x 10 ⁻⁴	1.4 x 10 ⁻⁵

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^a 2012 data of total average daily wastewater flows handled by all POTWs greater than 10 mgd in the district (2012 AQMP, Table 3.5-5).

^b Based on design daily flows by all POTWs greater than 10 mgd in the district (2012 AQMP). ^c Assumes that one gallon of water will be used to clean-up equipment for every gallon of coating applied. The figures for Coatings Disposal Flow are based on the annual emissions inventory of the affected coating categories in 2014; mgd = millions of gallons per day.

mgd = millions of gallons per day

The potential increase estimated as a result of implementing PAR 1113 is considered to be well within the projected capacity of POTWs in the district based on historical wastewater data. Hence, wastewater impacts associated with the disposal of water- borne clean-up waste material generated from PAR 1113 affected coating categories are not considered significant. With the increasing trend toward less toxic water-borne coatings, it is likely that there will be less severe impacts to water quality because of improvements in affluent water quality. Therefore, PAR 1113 will not significantly adversely affect water resources, water quality standards, groundwater supplies, existing water supplies or wastewater treatment facilities.

**IX. b) & h)** Historically, potential water demand to reformulate conventional coatings into water based coatings and to clean up water based coatings has not resulted in a significant adverse impact on water demand or depleted groundwater supplies. Using "worst-case" assumptions, increased water demand from implementing PAR 1113 can be calculated for both manufacturer of water-based coatings and water used to clean coating equipment. As shown in Table 2-7, water demand associated with the manufacture and clean-up of water-borne formulations is estimated to be 337 gallons per day (122,897 gallons per year). This increased water demand does not exceed the SCAQMD's significant threshold of 5,000,000 gallons per day and, therefore, is not considered to be a significant water demand impact.

While it is not possible to predict water shortages in the future, existing entitlements and resources in the district provide sufficient water supplies that currently exceed demand. Further, according to the Metropolitan Water District (MWD), the largest supplier of water to California, "Metropolitan has supply capabilities that would be sufficient to meet expected demands from 2015 through 2035 under the single dry-year and multiple dry-year conditions. Metropolitan has comprehensive plans for stages of actions it would undertake to address up to 50 percent reduction in its water supplies and a catastrophic interruption in water supplies through its Water Surplus and Drought Management and Water Supply Allocation Plans."⁴ MWD is expected to continue providing a reliable water supply through developing a portfolio of diversified water sources that includes: cooperative conservation; water recycling; and groundwater storage, recovery, and replenishment programs. Other additional water supplies will be supplied in the future as a result of water transfer from other water agencies, desalination projects and state and federal water initiatives, such as CALFED, California's Colorado River Water Use Plan.

As shown in Table 2-8, it is within the capacity of the local water suppliers to supply the small incremental increase in water demand associated with the implementation of PAR 1113. Sufficient water supplies are available to serve the project from existing entitlements and no new or expanded entitlements are needed to implement the proposed project. Therefore, no significant water demand impacts are expected as the result of implementing PAR 1113.

Table 2-8 Projected	Water Demand fr	om Implementing	PAR 1113
5		1 0	

Year	Projected Water Supplied, ^a billion gal per year	Projected Water Demand with 20 Percent Reduction, ^b billion gal per year	Projected Coating Sales, ^c million gal per year	Projected Mfgr Water Demand, ^d million gal per year	Projected Cleanup Water Demand ^e , million gal per year	PAR 1113 Total Water Demand, ^f million gal per year	PAR 1113 Total Demand, ^f gal per day	Total Impacts, ^g percent of demand
2014	1,498	1,198	0.1205	0.1205	0.1205	0.2409	660	0.00002

a) Water demand and supply projections obtained from hydrology setting in 2012 AQMP.

b) On November 10, 2009, the state Legislature passed Senate Bill 7 as part of the Seventh Extraordinary Session, referred to as SBX7-7. This new law is the water conservation component to the historic Delta legislative package, and seeks to achieve a 20 percent statewide reduction in urban per capita water use in California by December 31, 2020. The projected water demand from the 2012 AQMP was reduced by 20 percent pursuant to this legislation.

- c) SCAQMD Staff Report for PAR 1113
- d) Assumes that one gallon of water would be used to manufacture one gallon of coating applied. This estimate includes the water used in humidifiers for and for purging lines in colorant systems. This volume also assumes as "worst-case" scenario, that all affected coatings used in the SCAQMD's jurisdiction were manufactured here and does not take into consideration the fact that some affected coatings are already waterborne coatings.
- e) Assumes that one gallon of water would be used to clean-up equipment for every gallon of coating applied. Also assumes as a "worst-case" scenario, that full conversion of affected coating categories to waterborne formulations occurs in 2019.
- f) Total amount of manufactured and clean-up water demand.
- g) The percentage of increase in water demand as a result of the incremental increase due to water clean-up of waterborne coating material.

**IX.** c) & d) The proposed project would not change current architectural coating application or practices. Consequently, no major construction activities will be necessary to comply with PAR 1113, so the proposed project will not require site preparation, so the proposed project is not expected to alter any existing drainage patterns, increase the rate or amount of surface runoff water that would exceed the capacity of existing or planned stormwater drainage systems.

⁴ From Metropolitan Water District, The Regional Urban Water Management Plan, November 2010.

**IX.** e) Since PAR 1113 does not require construction of new structures, it will not result in placing housing in a 100-year flood hazard areas. Architectural coating contractors are not expected to change their existing coating practices, so any flood hazards would be part of the existing setting or would be present for reasons unrelated to PAR 1113.

**IX. f)** Since PAR 1113 does not require construction of new facilities; thus it will not expose people or structures to a significant risk of loss, injury or death by altering existing flood risks or risks from seiches, tsunami's or mudflow conditions.

**IX.** g) As indicated in the discussion under items IX a) & i), the proposed project is not expected to result in a significant increase in the volume of wastewater generated in the district. Similarly, as discussed under items IX b) & h), the proposed project is not expected to significantly increase demand for water in the district. As a result, it is not anticipated that PAR 1113 would generate additional volumes of wastewater that could exceed the capacity of existing stormwater drainage systems or require the construction of new wastewater or stormwater drainage facilities.

Based on the above considerations, significant adverse impacts to hydrology and water quality are not expected to occur from implementing PAR 1113. Since there are no significant adverse impacts and no mitigation measures are required.

Therefore, based on the above analysis, there would be adequate capacity to serve the proposed project's projected demand addition to the provider's existing commitments.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on hydrology and water quality.

Based upon these considerations, significant adverse hydrology and water quality impacts are not anticipated and, therefore, no further analysis is required or necessary.

# X. LAND USE AND PLANNING.

		Potentially Significant Impact	Less Than Significant With	Less Than Significant Impact	No Impact
Would the project:			Mitigation		
a) Physically divide an community?	established				
<ul> <li>b) Conflict with any applicable plan, policy, or regulation of with jurisdiction over the (including, but not limited general plan, specific plan, specific plan, specific plan, specific plan, adopted for the purpose of a mitigating an environmental plan, specific planet program or zoning adopted for the purpose of a mitigating an environmental planet.</li> </ul>	le land use f an agency he project ed to the blan, local ordinance) avoiding or l effect?				

#### **Significance Criteria**

Land use and planning impacts will be considered significant if the project conflicts with the land use and zoning designations established by local jurisdictions.

#### Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

**X.** a) Lowering the VOC content limit of certain coatings at affected facilities will not create divisions in any existing communities because there is no anticipated change to current architectural coating practices. Further, the proposed project does not require construction of any features, such as freeways, that would physically divide an established community.

**X. b)** Architectural coating operations would still be expected to comply, and not interfere, with any applicable land use plans, zoning ordinances, habitat conservation or natural community conservation plans. There are no provisions of the proposed project that would directly affect these plans, policies, or regulations. Land use and other planning considerations are determined by local governments and no present or planned land uses in the region or planning requirements will be altered by the proposed project. No new development or alterations to existing land use designations will occur as a result of the implementation of the proposed amendments. It is not anticipated that existing land uses located in the district would require additional land to continue current operations or require rezoning as a result of implementing PAR 1113. Therefore, no significant adverse impacts affecting existing or future land uses are expected.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on land use and planning.

Based on the above consideration, significant adverse impacts to land use and planning are not expected from PAR 1113-and PAR 314. Since there are no significant adverse impacts, no mitigation measures are required.

# XI. MINERAL RESOURCES.

		Potentially Significant Impact	Less Than Significant With	Less Than Significant Impact	No Impact
Wo	uld the project:		Mitigation		
a)	Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				
b)	Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				

## Significance Criteria

Project-related impacts on mineral resources will be considered significant if any of the following conditions are met:

- The project would result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state.
- The proposed project results in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan.

#### Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

**XI.** a) & b) There are no provisions of the proposed amended rule that would directly result in the loss of availability of a known mineral resource, such as aggregate, coal, shale, etc. of value to the region and the residents of the state, or of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan. The proposed project would lower the VOC content of certain coatings which needs no mineral resource to reformulate.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on mineral resources.

Based on the above consideration, significant adverse impacts to mineral resources are not expected from PAR 1113 and PAR 314. Since there are no significant adverse impacts, no mitigation measures are required.

# XII. NOISE.

Would the project result in:

- a) Exposure of persons to or generation of permanent noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?
- b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?
- c) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?
- d) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public use airport or private airstrip, would the project expose people residing or working in the project area to excessive noise levels?

Potentially Significant Impact	Less Than Significant With	Less Than Significant Impact	No Impact
			Ø
			L L L

## Significance Criteria

Impacts on noise will be considered significant if:

- Construction noise levels exceed the local noise ordinances or, if the noise threshold is currently exceeded, project noise sources increase ambient noise levels by more than three decibels (dBA) at the site boundary. Construction noise levels will be considered significant if they exceed federal Occupational Safety and Health Administration (OSHA) noise standards for workers.
- The proposed project operational noise levels exceed any of the local noise ordinances at the site boundary or, if the noise threshold is currently exceeded, project noise sources increase ambient noise levels by more than three dBA at the site boundary.

#### Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

XII. a), b), c) & d) Excessive generation of noise, excessive groundborne vibration, or substantial increase in ambient noise levels is generally not associated with architectural coating operations. The proposed project is not expected to increase noise levels relative to existing noise levels that

are currently generated from the application and use of architectural coatings. Since architectural coating operations are not noise intensive, it is expected that painting contractors would comply with existing relevant local community noise standards and ordinances. In addition to noise generated by coating contractors operations, noise sources from adjacent sources may include nearby freeways, truck traffic to adjacent businesses, and operational noise from adjacent businesses. In general, the primary noise source at existing facilities that use architectural coatings is generated by vehicular traffic, such as trucks transporting raw materials to the facility, trucks hauling wastes away from the facility, trucks to recycle waste or other materials, and miscellaneous noise such as spray equipment (i.e. compressors, spray nozzles) and heavy equipment use (forklifts, trucks, etc.). Noise is generated during operating hours, which generally range from 6 a.m. to 5 p.m. Monday through Friday. PAR 1113 is not expected to alter noise from existing noise generating sources. It is likely that contractor or affected facilities using architectural coatings are operating in compliance with any local noise regulations that may exist in their respective communities. There will be no adverse noise impacts even if a facility is located near an airport or private airstrip. Additionally, the implementation of PAR 1113 is not expected to result in significant noise impacts in residential areas because changing the VOC content will not affect noise levels from coating applications. As with industrial or commercial areas, it is assumed that these areas are subject to local community noise standards. Contractors or do-it-yourselfers applying compliant PAR 1113 coatings in residential areas are expected to comply with local community noise standards. Thus, the lowering of the VOC content limit requirement of affected coating categories would have no additional noise impacts.

# PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on noise.

Based on the above considerations, significant adverse impacts to noise are not expected from PARs 1113 and 314. Since there are no significant adverse impacts, no mitigation measures are required.

# XIII. POPULATION AND HOUSING.

Would the project:

- a) Induce substantial growth in an area either directly (for example, by proposing new homes and businesses) or indirectly (e.g. through extension of roads or other infrastructure)?
- b) Displace substantial numbers of people or existing housing, necessitating the construction of replacement housing elsewhere?

Potentially Significant Impact	Less Than Significant With	Less Than Significant Impact	No Impact
	Mitigation		

# Significance Criteria

Impacts of the proposed project on population and housing will be considered significant if the following criteria are exceeded:

- The demand for temporary or permanent housing exceeds the existing supply.
- The proposed project produces additional population, housing or employment inconsistent with adopted plans either in terms of overall amount or location.

# Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

**XIII.** a) & b) Human population in the SCAQMD's jurisdiction is anticipated to grow regardless of implementing the proposed project. The proposed amendments will primarily affect the formulation of architectural coatings and are not anticipated to generate any significant effects, either direct or indirect on the district's population as no additional workers are anticipated to be required to comply with the proposed amendments. Further, PAR 1113 is not expected to cause a relocation of population within the SCAQMD. As a result, housing within the SCAQMD is expected to be unaffected by the proposed amendments. The population will not grow directly as a result of the proposed amended rule and the coating activity will not indirectly induce growth in the area of the coating facilities. The construction of single- or multiple-family housing units would not be required as a result of implementing the proposed project. Therefore, existing housing or populations in the district are not anticipated to be displaced necessitating the construction of replacement housing elsewhere.

2-51

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on population and housing.

Based on the above considerations, significant adverse impacts to population and housing are not expected from PARs 1113 and 314. Since there are no significant adverse impacts, no mitigation measures are required.

# XIV. PUBLIC SERVICES.

Potentially Less Than Less Than **No Impact** Would the proposal result in substantial Significant Significant Significant adverse physical impacts associated Impact With Impact with the provision of new or physically Mitigation altered governmental facilities, need physically for new or altered government facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the following public services: a) Fire protection?  $\mathbf{\Lambda}$ b) Police protection?  $\mathbf{N}$ c) Schools?  $\mathbf{N}$ П П П  $\mathbf{N}$ d) Other public facilities?

## **Significance Criteria**

Impacts on public services will be considered significant if the project results in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, or the need for new or physically altered government facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response time or other performance objectives.

## Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

**XIV. a) & b)** The proposed amendments will not substantially increase the amount of businesses or equipment in the district. Reformulation of coatings is not expected to require new or additional fire fighting resources or police protection. In fact, PAR 1113 may actually result in fewer impacts to public service agencies because compliant coatings are expected to be formulated with less hazardous materials compared to current coatings. Any increase in accidental releases of compliant coating materials would be expected to result in a concurrent reduction in the number of accidental releases of existing coating materials. As a result, the net number of accidental releases would be expected to remain constant, allowing for population growth in the district. Additionally, future compliant coating materials are not expected to cause significant adverse human health impacts, so accidental release scenarios would be expected to pose a lower risk to the public and responding fire and police departments. The fire hazards were already discussed in Section VIII and the impacts were considered less than significant. Furthermore, if manufacturers continue to use solvents such as texanol, propylene glycol, ethylene glycol, etc., in their compliant water-borne

coatings, fire departments would not be expected to experience adverse impacts because in general these solvents are less flammable solvents and, therefore, create fewer emergency incidents. Demands on public service systems are not expected to increase and impacts to these systems are, therefore, not considered to be significant because any potential increase in the use of flammable substances, such as acetone, are expected to be minor and, as a result, are not expected to be adversely affect performance objectives, service ratios, response times, etc.

**XIV.** c) Because coating operations are not expected to change, contractor operations or affected facilities are not expected to require new employees. As noted in item "XIII. Population and Housing," the proposed project will not increase population growth in the district. Consequently, no new impacts to schools, parks or other recreational facilities are foreseen as a result of implementing the proposed amendments to Rule 1113.

**XIV. d)** The proposal would not result in the need for new or physically altered public facilities in order to maintain acceptable service ratios, response times or other performance objectives.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on public services.

Based on the above considerations, significant adverse impacts to public services are not expected from PARs 1113 and 314. Since there are no significant adverse impacts, no mitigation measures are required.

# XV. RECREATION.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
use of gional cilities sysical would				
tional ion or es that				

- a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?
- b) Does the project include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment or recreational services?

#### **Significance Criteria**

Impacts to recreation will be considered significant if:

- The project results in an increased demand for neighborhood or regional parks or other recreational facilities.
- The project adversely affects existing recreational opportunities.

#### Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

**XV. a) & b)** The proposed amendments will not generate additional demand for, or otherwise affect land used for recreational purposes. The proposed amendments are not expected to have adverse effects on land uses in general. As discussed under "Land Use and Planning" above, there are no provisions in the proposed project that would affect land use plans, policies or ordinances, or regulations. Land use and other planning considerations are determined by local governments; no land use or planning requirements will be altered by the proposal. As already noted in item "XIII, Population and Housing", the proposed project is not expected to increase population growth in the district because no additional employees would be required to apply lower VOC coatings so no additional demand for parks is anticipated. Further, the proposed amendments would not increase the use of existing neighborhood and regional parks or other recreational facilities or include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment.
PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on recreation.

Based on the above considerations, significant adverse impacts to recreation are not expected from PARs 1113 and 314. Since there are no significant adverse impacts, no mitigation measures are required.

## XVI. SOLID/HAZARDOUS WASTE.

Would the project:		Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact	
a)	Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?					
b)	Comply with federal, state, and local statutes and regulations related to solid and hazardous waste?					

## Significance Criteria

The proposed project impacts on solid/hazardous waste will be considered significant if the following occurs:

- The generation and disposal of hazardous and non-hazardous waste exceeds the capacity of designated landfills.

## Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

**XVI.** a) & b) Coating operations are not expected to change as a result of the proposed amendments. Similarly, the volume of coatings and coating wastes is not expected to increase as a result of implementing PAR 1113. Therefore, no new solid or hazardous waste will be generated as a result of lowering the VOC content limit of certain coatings in Rule 1113. Affected facilities would continue to comply with federal, state, and local statutes and regulations related to solid and hazardous waste handling and disposal. Therefore, potential solid waste impacts are considered not significant.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on solid/hazardous waste.

Based on the above consideration, significant adverse impacts to solid/hazardous waste are not expected from PARs 1113 and 314. Since there are no significant adverse impacts, no mitigation measures are required.

# XVII. TRANSPORTATION/TRAFFIC.

Would the project:

- Conflict with an applicable plan, a) establishing ordinance or policy measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?
- b) Conflict with an applicable congestion management program, including but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?
- c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?
- d) Substantially increase hazards due to a design feature (e.g. sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?
- e) Result in inadequate emergency access?
- f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?

Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
			V
			Ø
	_		
			$\checkmark$

# Significance Criteria

Impacts on transportation/traffic will be considered significant if any of the following criteria apply:

- Peak period levels on major arterials are disrupted to a point where level of service (LOS) is reduced to D, E or F for more than one month.
- An intersection's volume to capacity ratio increase by 0.02 (two percent) or more when the LOS is already D, E or F.
- A major roadway is closed to all through traffic, and no alternate route is available.
- The project conflicts with applicable policies, plans or programs establishing measures of effectiveness, thereby decreasing the performance or safety of any mode of transportation.
- There is an increase in traffic that is substantial in relation to the existing traffic load and capacity of the street system.
- The demand for parking facilities is substantially increased.
- Water borne, rail car or air traffic is substantially altered.
- Traffic hazards to motor vehicles, bicyclists or pedestrians are substantially increased.
- The need for more than 350 employees
- An increase in heavy-duty transport truck traffic to and/or from the facility by more than 350 truck round trips per day
- Increase customer traffic by more than 700 visits per day.

# Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

**XVII. a) & b)** PAR 1113 is not expected to alter affected coating operations so no additional transportation/circulation impacts are expected to occur directly or indirectly as a result of lowering the VOC content limit of certain coatings in Rule 1113. As noted in item XIII, Population and Housing, no new employees are expected to be needed at affected facilities and therefore no new worker trips that could increase traffic or affect in any way the level of service designation for any roadways will result from the proposed amendments. Similarly, additional parking would not be required from implementing PAR 1113. Because affected coating operations are not expected to change, no additional raw materials will be needed and, therefore, no transport trips that could affect the level of service for roadways will be generated from the continued operation of the coating activity.

**XVII. c)** Air traffic patterns are not expected to be directly or indirectly affected by the proposed amended rule because the coating activity will not require any air transportation of any materials. Since PAR 1113 will not require transport of materials by air, no increase in any safety risks are expected.

XVII. d) & e) The proposed amendments to Rule 1113 does not have direct or indirect impact on specific construction design because the proposed project does not require or induce the

construction of roadway design features. PAR 1113 simply lowers the VOC content limit of certain coatings, so it is expected that the architectural coating operation would not change.

**XVII. f)** Affected facilities would still be expected to comply with, and not interfere with adopted policies, plans, or programs supporting alternative transportation. The lowering of the VOC content limit of certain coatings in Rule 1113 will not hinder compliance with any applicable alternative transportation plans or policies.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on transportation/traffic.

Based on the above considerations, significant adverse impacts to transportation/circulation are not expected from PARs 1113 and 314. Since there are no significant adverse impacts, no mitigation measures are required.

## XVIII. MANDATORY FINDINGS OF SIGNIFICANCE.

- a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below selfsustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?
- b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)
- c) Does the project have environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly?

Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
-	-	-	
			V
			V

### Discussion

PAR 1113 would require lowering VOC limits for some categories, changing some coating categories, and restricting the small container exemption for some categories. PAR 314 would include revised definitions, a tiered fee structure, and requirements on acquisitions of architectural coating manufacturers. No major changes to existing architectural operations or stockpiling of additional materials or products outside of existing facilities are expected.

PAR 314 would only affect definitions, fees, and reporting requirements and would not have physical effects on existing affected facilities. Therefore, PAR 314 would have no impact on the environment.

**XVIII. a)** As discussed in items I through XVII above, the proposed amended rules have has no potential to cause significant adverse environmental effects because it would a result in lowering the VOC content limit of certain coatings in PAR 1113and there is no physical effects from PAR 314. Therefore, the proposed project is not expected to degrade the quality of the environment,

substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal. Similarly, PARs 1113 and 314 would not eliminate important examples of the major periods of California history or prehistory or otherwise degrade cultural resources.

**XVIII. b)** Based on the foregoing analyses, since PARs 1113 and 314 will not result in projectspecific significant environmental impacts and indeed will reduce emissions; PARs 1113 and 314 are is not expected to cause cumulative impacts in conjunction with other projects that may occur concurrently with or subsequent to the proposed project. Cumulative air quality impacts from the proposed amendments, previous amendments and all other AQMP control measures considered together are not expected to be significant because implementation of all AQMP control measures is expected to result in net emission reductions and overall air quality improvement. Furthermore, PARs 1113 and 314 impacts will not be "cumulatively considerable" because the incremental impacts are not considerable when viewed in connection with the effects of past, current, or probable future projects.

**XVIII.** c) Based on the foregoing analyses, PARs 1113 and 314 are is not expected to cause significant adverse effects on human beings, either directly, or indirectly.

# APPENDICES

# APPENDIX A

PROPOSED AMENDED RULE 1113

In order to save space and avoid repetition, please refer to the latest version of Proposed Amended Rule 1113 located in the February 5, 2016 Governing Board Package. The version of Proposed Amended Rule 1113 that was circulated with the Draft EA released on September 15, 2015 for a 30-day public review and comment period ending October 15, 2015 was "Rule 1113, Draft August 19, 2015".

Original hard copies of the Draft EA, which include the draft version of the proposed rule listed above, can be obtained through the SCAQMD Public Information Center at the Diamond Bar headquarters or by calling (909) 396-2039.

# APPENDIX B

# **ASSUMPTIONS AND CALCULATIONS**

# Table 1 SCE Sales and Emissions

### SCE Sales

Coating Group	Year	Quarts	Emissions
RPC	2008	123,411.50	0.58
RPC	2009	145,367.37	0.68
RPC	2010	171,675.39	0.79
RPC	2011	190,585.69	0.87
RPC	2012	149,381.46	0.70
RPC	2013	158,026.51	0.74
RPC	2014	151,236.87	0.71
emissions at 100 g/L		0.09	
Em reductions RPC		0.63	

Coating Group	Year	Quarts	Emissions
IM	2008	11,284.94	0.05
IM	2009	11,632.35	0.05
IM	2010	2,330.60	0.01
IM	2011	3,397.85	0.01
IM	2012	3,243.87	0.01
IM	2013	9,611.52	0.01
IM	2014	2,687.04	0.01
emissions at 100 g/L			
Em reductions IM			
Zinc Rich Primer	2008	51.00	0.00
Zinc Rich Primer	2009	52.75	0.00
Zinc Rich Primer	2010	111.50	0.00
Zinc Rich Primer	2011	169.50	0.00
Zinc Rich Primer	2012	72.00	0.00
Zinc Rich Primer	2013	179.65	0.00
Zinc Rich Primer	2014	75.75	0.00
emissions at 100 g/L			
Em reductions Zn PSU		0.0003	

### **Conversions:**

g/L*volume (gallons)/119.83/2000/365

g/L /119.83 (convert g/L to lbs./gal)

lbs/gal x # of gallons used = lbs

lbs/2,000 (convert lbs to tons)

tons/365 to go from annual to daily

Coating Group	Year	Quarts	Emissions
Flat	2008	47,944.36	0.023
Flat	2009	7,865.50	0.006
Flat	2010	8,751.02	0.007
Flat	2011	11,882.35	0.009
Flat	2012	14,593.49	0.011
Flat	2013	18,841.33	0.014
Flat	2014	5,982.60	0.005

Table 1	<b>SCE Sales</b>	and Emission	ns (Continued)
---------	------------------	--------------	----------------

emissions at 100 g/L			
Em reductions Flat			
Non-Flat	2008	171,824.65	0.33
Non-Flat	2009	115,620.35	0.30
Non-Flat	2010	102,501.52	0.27
Non-Flat	2011	74,774.27	0.16
Non-Flat	2012	104,243.47	0.25
Non-Flat	2013	106,476.28	0.25
Non-Flat	2014	83,771.85	0.20
emissions at 100 g/L		0.048	
Em reductions NF		0.15	

					# product	# products		
Volume	SWA	Adjusted	Emissions	#	over 100	over 50	Potential	Projected
(gallons)	VOC	SWA VOC	(tpd)	products	g/L	g/L	Emissions *	Reductions**
20,295	86 g/L	22 g/L	0.012	12	2	3	0.01	0.005

## Table 2 Building Envelopes Coatings Emissions

* All coatings formulated to 100g/L VOC limit

** All coatings formulated to 50gL

The sales weighted average (SWA) VOC is high because of a high selling non-compliant product, the adjusted SWA VOC is without the non-compliant products included.

### Table 3 Additional Water Usage

	Total SCE Sales (2014		Waterborne	Potential increase in
Category	gallons)	Rustoleum RPC	SCE	waterborne gallons
RPC	151,236.87	69,584.61	39.00	81,613.26
Non-Flat	83,771.85		45,465	38,306.85
IM	2,762.79		107	2,655.79
Flat	5,982.60		5,661	321.60
			Total	122,897.51

### **RESPONSES TO COMMENTS**

One comment letter was received from the American Coatings Association that contained a comment relative to CEQA. The entire comment letter is presented in Appendix C. Comments 15-1 through 15-4 are pertinent to PAR 1113 rule language and the responses to those comments can be found in the Staff Report contained in the February 5, 2016 Governing Board Package. The comment relative to CEQA is labeled 15-5 and the response is included here.



October 9, 2015

Ms. Heather Farr Office of Planning, Rule Development, and Area Sources South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765

Ms. Cynthia Carter South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765

#### RE: SCAQMD Rule 1113/Rule 314 Amendments; Supplemental ACA Comments and CEQA Comments

Dear Ms. Farr and Ms. Carter:

The American Coatings Association (ACA) would like to supplement the comments that we submitted on September 25, 2015 with regards to eliminating 11 categories from the Small Container Exemption (SCE), especially with regards to Stone Consolidants and Reactive Penetrating Sealers. Also there appears to be several typos in the proposed Rule 1113 Table of Standards. We have also included CEQA comments as well. Finally, we incorporate by reference previously submitted ACA comments on Rule 1113/Rule 314.¹

As ACA mentioned in our September 25 comments, ACA believes that the District has not provided an adequate justification for eliminating the small container exemption for these additional categories since manufacturers do not utilize the exemption for these categories, and no emission reductions will result from this change. In addition, while the SCE has not been utilized for these categories in the past, manufacturers may look to the small container option to solve a new issue in the field in the future. Further, if for example a company makes a technology breakthrough but the product does not meet the category limit, these technologically superior products could not make it to the marketplace. Therefore we do not support eliminating the SCE for these or any categories.

These comments supplement our September 25, 2015 comments specifically with respect to Stone Consolidants and Reactive Penetrating Sealers and have included supplementary information regarding ongoing modern building preservation research in the District.

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¹ ACA's previous comment letters are dated: September 25, 2015; September 10, 2015, July 8, 2015; April 30, 2015; March 10, 2015; January 20, 2015.

ACA Comments on SCAQMD Rule 1113 & Rule 314 Amendments

September 9, 2015

#### Stone Consolidants

We again appreciate the District adding the Stone Consolidants category to Rule 1113 in the 2013 amendments. ACA recommends not eliminating this category from the Small Container Exemption. The category definition as written is extraordinarily narrow with regards to allowable project use. While many registered historic landmarks incorporate natural stone substrates, the technology has been successfully utilized in the repair of otherwise irreparable architectural materials including concrete and adobe.

Stone Consolidants represent a niche subcategory of materials designed to repair historic structures that have been damaged by weathering or other surface decay mechanisms. As building inventory ages, the mix of architectural substrates with identified preservation problems shifts. ACA recommends the small container exemption be maintained.

#### Table of Standards and Small Container Exemption

There seems to be several discrepancies between the august 19, 2015 PAR Rule 1113 Table of Standards and the Small Container Exemption (SCE) provision. The Table of Standards includes a check and Footnote 3 designation for Reactive Penetrating Sealers, Wood preservatives (below ground and others) and Recycled Coatings, however these categories are not listed in the Small Container Exemption provision, nor are these categories listed in the Staff report (page 19) or the Staff slide number 35 from the August 26, 2015 meeting. ACA assumes (and supports) that there is a typo in the Table of Standards and that the District is not going to eliminate the SCE for these categories. In addition, the Table of Standards has a Footnote 4 designation indicating that the Color Indicating Safety Paint category is to be eliminated from the SCE on 1/1/2019, however the Staff Report and the August 26, 2015 slide 35 indicate a 1/1/2016 date. ACA does not support eliminating this or any categories from the SCE, however if over our objection the District proceeds forward, the 1/1/2019 date is preferred.

### **Reactive Penetrating Sealers**

We again appreciate the District adding the Reactive Penetrating Sealer category to Rule 1113 in the 2013 amendments. Just in case the typo mentioned earlier is not a typo, ACA recommends not eliminating the Small Container Exemption for Reactive Penetrating Sealers since these sealers allow a narrow range of high-performance water and chloride ion screening technologies used in commercial, institutional and highway and bridge deck applications. While the Small Container Exemption may not have been used extensively, there could be a need for higher VOC products to solve emerging architectural substrate protection problems in the future.

### South Coast AQMD Area Modern Building Preservation

Los Angeles and surrounding areas are in the midst of an emerging modern building preservation crisis. Multiple task forces and working groups have been formed under the umbrella of the Los Angeles Conservancy Modern Committee and through The Getty Conservation Institute. A

15-1

15-2

15-3

### ACA Comments on SCAQMD Rule 1113 & Rule 314 Amendments

September 9, 2015

substantial number of modern structures feature concrete facades and exposed structural elements subject to the same intragranular decay mechanisms as natural stone.

The National Park Service listed ten case study homes in the National Register of Historic Places as part of a pilot project. <u>https://www.laconservancy.org/issues/case-study-houses</u> Many structures of similar age exist outside of this protected status. The Getty's Conserving Modern Architecture Initiative is focused on a number of identified decay and preservation issues. <u>http://www.getty.edu/conservation/our_projects/field_projects/cmai/</u>

The Initiative recently convened a meeting of experts to study the conservation of concrete heritage with the modern building preservation problem in mind. http://www.getty.edu/conservation/our_projects/field_projects/cmai/cmai_experts.html

The resulting report pointed to a number of unresolved technology issues yet to be fully researched. Coatings designed to protect substrates without visible changes in appearance will be part of the solution. That may or may not include existing Stone Consolidant and Reactive Penetrating Sealer technologies – either would be outside the scope of current restrictive category definitions. The solution could include new technologies that do not fit the 50 g/L Default limit. Either path points to a need for ongoing regulatory flexibility provided by the Small Container Exemption.

#### **CEQA** Considerations

15-5

. . . .

15-4

cont.

ACA suggests that the California Environmental Quality Act (CEQA) requires that projects potentially affecting historical resources weigh the costs and benefits in the project Environmental Impact Assessment (EIA). ACA believes there is a direct link between the lack of availability of specialty coatings for historical structures (since the District is eliminating the Small Container Exemption Stone Consolidants and Reactive Penetrating Sealers) and potential for permanent and negative impairment of same in the currently proposed SCM revisions. For your convenience, a section from CEQA follows:

#### § 21084.1. Historical resource; substantial adverse change

A project that may cause a substantial adverse change in the significance of an historical resource is a project that may have a significant effect on the environment. For purposes of this section, an historical resource is a resource listed in, or determined to be eligible for listing in, the California Register of Historical Resources. Historical resources included in a local register of historical resources, as defined in subdivision (k) of Section 5020.1, or deemed significant pursuant to criteria set forth in subdivision (g) of Section 5024.1, are presumed to be historically or culturally significant for purposes of this section, unless the preponderance of the evidence demonstrates that the resource is not historically or culturally significant. The fact that a resource is not listed in, or determined to be eligible for listing in, the California Register of Historical Resources, not included in a local register of historical resources, or not deemed significant pursuant to criteria set forth in subdivision (g) of Section 5024.1 shall not

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preclude a lead agency from determining whether the resource may be an historical resource for purposes of this section.

Thank you for your consideration of our comments. Please do not hesitate to contact us if you have any questions.

Sincerely,

/s/

/s/

David Darling, P.E. Senior Director, Environmental Affairs Timothy Serie, Esq. Counsel, Government Affairs

Cc: Philip Fine

**Sent via email**

Comments 15-1 through 15-4 are pertinent to PAR 1113 rule language and those responses are contained in the Staff Report. Please refer to the Staff Report in the February 5, 2016 Governing Board Package.

### Response to comment 15-5

In the 2011 amendment to Rule 1113, staff received a comment from the State Office of Historic Preservation detailing their concerns with the restrictions placed on stone consolidants and reactive penetrating sealers. At that time, staff worked with the manufacturers and agreed to allow a higher VOC category for materials used to address the needs of historic preservation (including stone consolidants and reactive penetrating sealers).

For stone consolidants, the sales weighted VOC for 2014 is 100 g/L and there has never been a product reported over the 450 g/L VOC limit. Therefore, PAR 1113 will not affect the sale and usage of stone consolidants within SCAQMD's jurisdiction.

For reactive penetrating sealers, the Rule 314 data indicates that there is only one product sold slightly over the 350 g/L VOC limit. The same company also sells several compliant versions of this product, one at a significantly higher sales volume. The sales weighted VOC for reactive penetrating sealers is 329 g/L for 2014 sales. Therefore, SCAQMD staff does not believe that any historical structures or resources will be adversely impacted due to a lack of the availability of specialty coatings from the proposed provisions set forth in PAR 1113.