



South Coast Air Quality Management District

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SENT VIA E-MAIL AND USPS:

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Draft Environmental Impact Report (EIR) for the Proposed Canyon City Business Center (SCH No.: 2018021059)

The South Coast Air Quality Management District (SCAQMD) staff appreciates the opportunity to comment on the above-mentioned document. The following comments are meant as guidance for the Lead Agency and should be incorporated into the Final EIR.

SCAQMD Staff's Summary of Project Description

The Lead Agency proposes to demolish an existing 13,465-square-foot nursery and build seven industrial buildings totaling 463,316 square feet on approximately 23.27 acres (Proposed Project). The Proposed Project is expected to generate 196 daily truck trips¹. The Proposed Project has two development options: Warehouse Only Option and Warehouse and Manufacturing Option. Based on a review of aerial photographs, SCAQMD staff found that the Proposed Project (Building 2) will be located less than 500 feet from the closest single-family residence on West Sierra Madre Avenue. Construction is expected to take approximately 21 months to complete².

SCAQMD Staff's Summary of the Air Quality and Health Risk Assessment (HRA) Analyses

In the Air Quality Analysis, the Lead Agency quantified the Proposed Project's construction and operational emissions and compared those emissions to SCAQMD's regional and localized air quality CEQA daily significance thresholds. After incorporating Standards Conditions of Approval (SCAs) AQ-1 and AQ-2 and Mitigation Measure AQ-1, which requires the use of "Super-Compliant" low VOC paints, the Lead Agency found that the Proposed Project's construction air quality impacts would be less than significant. Additionally, the Lead Agency concluded that the Proposed Project would result in significant and unavoidable long-term impacts from NOx emissions. Because "no additional feasible mitigation measures or project design features exist that would reduce NOx emissions to less than significant levels³," the Lead Agency did not include any mitigation measures to reduce operational NOx emissions.

The Lead Agency also conducted a health risk assessment (HRA) analysis for the Warehouse Only Option based on the 2015 Office of Environmental Health Hazard Assessment (OEHHA) Guidelines and found that the Proposed Project's maximum incremental cancer risk for residential exposure to diesel particulate matter (DPM) emissions would be 1.96 in a million⁴, which is below SCAQMD's CEQA significance threshold of 10 in one million for cancer risk. However, the Lead Agency did not conduct a HRA analysis for the Warehouse and Manufacturing Option because "few truck trips would be generated under this development scenario⁵." "Because Warehouse Only Option-generated DPM source emissions did not result in significant impacts on human health and cancer risk to adjacent residences and workers,

¹ Draft EIR. Table 5.8-7. Page 5.8-19.

² Draft EIR. Page 3-11.

³ Draft EIR. Page 2.9-20.

⁴ Draft EIR. Table 5.9-10. Page 5.9-26.

⁵ Draft EIR. Page 2.9-28.

it can also be concluded that the Warehousing and Manufacturing Option, with fewer truck trips, would also result in less than significant impacts in this regard⁶.”

SCAQMD Staff's General Comments

SCAQMD staff has comments on the Air Quality and HRA analyses in the Draft EIR. Please see the attachment for more information. Additionally, the attachment includes SCAQMD staff's comments on the existing Mitigation Measure AQ-6. Lastly, due to SCAQMD staff's concern about the Proposed Project's significant adverse NOx emissions during operation, the attachment includes additional recommended mitigation measures.

Closing

Pursuant to California Public Resources Code Section 21092.5(a) and CEQA Guidelines Section 15088(b), SCAQMD staff requests that the Lead Agency provide SCAQMD staff with written responses to all comments contained herein prior to the certification of the Final EIR. In addition, issues raised in the comments should be addressed in detail giving reasons why specific comments and suggestions are not accepted. There should be good faith, reasoned analysis in response. Conclusory statements unsupported by factual information will not suffice (CEQA Guidelines Section 15088(c)). Conclusory statements do not facilitate the purpose and goal of CEQA on public disclosure and are not meaningful or useful to decision makers and to the public who are interested in the Proposed Project.

SCAQMD staff is available to work with the Lead Agency to address any air quality questions that may arise from this comment letter. Please contact me at lsun@aqmd.gov if you have any questions.

Sincerely,



Lijin Sun, J.D.

Program Supervisor, CEQA IGR

Planning, Rule Development & Area Sources

Attachment
LS/SW
LAC180517-02
Control Number

⁶ *Ibid.*

ATTACHMENT

Health Risk Assessment (HRA)

- As stated above, the Lead Agency conducted a HRA analysis for the Warehouse Only Option and found that the Maximum Lifetime Cancer Risk for this development option would result in a less than significant health risk impact at 1.96 in a million. Since the Warehouse and Manufacturing Option is expected to generate fewer truck trips than the Warehouse Only Option, the Lead Agency stated that “an HRA was not prepared to evaluate the Warehouse and Manufacturing Option⁷.”

Based on a review the supporting technical documentation for the HRA analysis, SCAQMD staff found that the Lead Agency conducted the HRA analyses for the Warehouse Only Option as well as the Warehouse and Manufacturing Option. The results of the HRA analyses for both development options are summarized below in Table A.

Table A: SCAQMD Staff’s Summary of the HRA Results

Development Option	Trucks Per Day (On-Site Travel)	VMT (Miles/Day) (On-Site Travel)	VMT (Miles/Day) (Off-Site Travel)				Maximum Lifetime Cancer Risk
			10% on Sierra Madre Ave.	10% on 10 th St. to Foothill Bl.	15% on Todd Ave. to Foothill Bl.	65% on Todd Ave. to Foothill Bl.	
Warehouse Only	210	60.01	22.70	23.27	34.94	151.91	1.96 in a million
Warehouse and Manufacturing	704	201.18	76.09	78.00	117.15	509.25	7.01 in a million

SOURCE: Excel files 10731-02 ASF risk calculation worksheets, 10731-02 HRA Emissions Averages, 10731-02 ASF risk calculation worksheets – Manufacturing, and 10731-02 HRA Emissions Averages – Manufacturing.

SCAQMD staff is concerned with the HRA analysis for the Warehouse and Manufacturing Option for three reasons. First, contrary to the Lead Agency’s statement that the Warehouse and Manufacturing Option would generate few trucks trips than the Warehouse Only Option, Table A shows that the Warehouse and Manufacturing Option would generate or attract 704 trucks per day for on-site travel, which is approximately three times more trucks than the Warehouse Only Option (210 trucks per day for on-site travel). Additionally, the Warehouse and Manufacturing Option would generate substantially more VMTs for both on-site and off-site travels than the Warehouse Only Option. Second, contrary to the Lead Agency’s statement that a HRA was not prepared for the Warehouse and Manufacturing Option, the Lead Agency prepared a HRA analysis for this development option and found that the cancer risk would be 7.01 in a million. Third, while both development options would result in cancer risks that are below SCAQMD’s CEQA significance threshold of 10 in a million for cancer risk, the Lead Agency did not disclose the cancer risk (7.01 in a million) for the Warehouse and Manufacturing Option in the Air Quality Analysis in the Draft EIR, which is substantially higher than that (1.96 in a million) for the Warehouse Only Option. For these reasons, SCAQMD staff recommends that the Lead Agency revise the Air Quality Analysis in the Final EIR by including the HRA analyses for both development options consistent with the modeling results in the technical documentation. The revisions will also facilitate good faith disclosure and foster informed decision making to help determine the preferred development option.

- Based on a review of aerial photographs and Exhibit 3-2, *Site Vicinity*, in the Draft EIR, SCAQMD staff found that a railroad is located on the south of the Proposed Project and that two spur tracks are within approximately 100 feet of the Project boundary. After reviewing the Project Description in the Draft EIR, it was not clear to SCAQMD staff if the railroad and spur tracks would be used as part of the Proposed Project. If using the railroad and spur tracks to deliver and/or transport goods is

⁷ Draft EIR. Page 2.9-28.

reasonably foreseeable, the Lead Agency should evaluate the potential air quality impacts from the uses (e.g., use of locomotive engines) in the Final EIR.

Mitigation Measures

SCAQMD's 2016 Air Quality Management Plan

3. On March 3, 2017, the SCAQMD's Governing Board adopted the 2016 Air Quality Management Plan (2016 AQMP)⁸, which was later approved by the California Air Resources Board of Directors on March 23rd. Built upon the progress in implementing the 2007 and 2012 AQMPs, the 2016 AQMP provides a regional perspective on air quality and the challenges facing the South Coast Air Basin. The most significant air quality challenge in the Basin is to achieve an additional 45 percent reduction in nitrogen oxide (NOx) emissions in 2023 and an additional 55 percent NOx reduction beyond 2031 levels for ozone attainment.

Achieving NOx emission reductions in a timely manner is critical to attaining the National Ambient Air Quality Standard (NAAQS) for ozone before the 2023 and 2031 deadlines. SCAQMD is committed to attain the ozone NAAQS as expeditiously as practicable. The Proposed Project plays an important role in supporting the SCAQMD's commitment. Therefore, SCAQMD staff recommends that the Lead Agency revise the existing Mitigation Measure AQ-6 and incorporate the following mitigation measures in the Final EIR to further reduce the significant adverse NOx emissions during operation.

Recommended Changes to Mitigation Measure AQ-6

4. Mitigation Measure AQ-6 requires the Project Applicant to make its tenants aware of the funding opportunities, such as the Carl Moyer Memorial Air Quality Standards Attainment Program, and other similar funding opportunity, by providing applicable literature on such funding opportunities as available from the California Air Resources Board (CARB)⁹.

SCAQMD staff is concerned about this Mitigation Measure for the two reasons. First, pursuant to CEQA Guidelines Section 15126.4(a)(1), mitigation measures are those capable of *minimizing or reducing* significant adverse impacts (*Emphasis added*). While it is important to share information on the funding opportunities with tenants, providing information should not be qualified as a valid mitigation measure since the information does not minimize or reduce any impacts. Second, mitigation measures must be fully enforceable through permit conditions, agreements, or other legally binding instruments (CEQA Guidelines Section 15126.4(a)(2)). Here, there is no mechanism in Mitigation Measure AQ-6 to require tenants to apply for the funding opportunities for the purpose of reducing the Proposed Project's NOx emissions during operation since Project Applicant is only required to *make its tenants aware of the funding opportunities* (*Emphasis added*). Therefore, SCAQMD staff recommends that the Lead Agency revise Mitigation Measure AQ-6 by providing additional details on how the information on the funding opportunities will be used by tenants to reduce the Proposed Project's operational NOx emissions.

Recommended New Mitigation Measure: Diesel Haul Trucks of Model Year 2010 or Newer

5. CEQA requires that all feasible mitigation measures that go beyond what is required by law be utilized to minimize or eliminate any significant adverse impacts. Here, the Lead Agency did not include any mitigation measures to reduce operational NOx emissions because "no additional feasible

⁸ South Coast Air Quality Management District. March 3, 2017. *2016 Air Quality Management Plan*. Accessed at: <http://www.aqmd.gov/home/library/clean-air-plans/air-quality-mgt-plan>.

⁹ Draft EIR. Page 1-15.

mitigation measures or project design features exist that would reduce NOx emissions to less than significant levels¹⁰.”

Since the Proposed Project’s operational NOx emissions would exceed SCAQMD air quality CEQA significance threshold, SCAQMD staff recommends that the Lead Agency use its best efforts to formulate mitigation measures to reduce the significant adverse NOx impacts during operation to the maximum extent feasible. Pursuant to the California Air Resources Board’s (CARB) Truck and Bus Regulation, trucks with a gross vehicle weight rating greater than 26,000 pounds need to have 2010 model year engines or equivalent emissions by January 1, 2023¹¹. Since the Proposed Project is assumed to be operational in 2020 or seven years after the Truck and Bus Regulation becomes effective, SCAQMD staff recommends that the Lead Agency provide incentives to encourage future tenants to use 2010 model year diesel haul trucks or newer during operation. If the Lead Agency determines that 2010 model year or newer diesel haul trucks are not feasible, the Lead Agency should provide incentives to encourage future tenants to use trucks that meet EPA 2007 model year NOx emissions requirements. At a minimum, the Lead Agency should develop a schedule to phase in cleaner trucks that is consistent with the CARB’s Truck and Bus Regulation timeline and supports the air quality attainment goals and timelines of the 2016 AQMP. SCAQMD staff is available to discuss the availability of current and upcoming truck technologies and incentive programs with the Lead Agency.

Additional Recommended Mitigation Measures for Operational Air Quality Impacts from Mobile Sources

6. SCAQMD staff recommends that the Lead Agency incorporate the following on-road mobile source truck-related mitigation measures to further reduce criteria pollutants emissions and their impacts on nearby residents in the Final EIR. For more information on potential mitigation measures as guidance to the Lead Agency, please visit SCAQMD’s CEQA Air Quality Handbook website¹².
 - Have truck routes clearly marked with trailblazer signs, so that trucks will not enter residential areas.
 - Limit the daily number of trucks allowed at the Proposed Project to levels analyzed in the CEQA document (168 truck trips per day). If higher daily truck volumes are anticipated to visit the site, the Lead Agency should commit to re-evaluating the Proposed Project through CEQA prior to allowing this land use or higher activity level.
 - Design the Proposed Project such that entrances and exits are such that trucks are not traversing past neighbors or other sensitive receptors (e.g., not traveling through West Sierra Madre Avenue where sing-family residences are located).
 - Design the Proposed Project such that any check-in point for trucks is well inside the Proposed Project site to ensure that there are no trucks queuing outside of the facility.
 - Design the Proposed Project to ensure that truck traffic within the Proposed Project site is located away from the property line(s) closest to its residential or sensitive receptor neighbors.
 - Restrict overnight parking in residential areas.
 - Establish overnight parking within the industrial building where trucks can rest overnight.
 - Establish area(s) within the Proposed Project site for repair needs.

¹⁰ Draft EIR. Page 2.9-20.

¹¹ California Air Resources Board. December 18, 2017. *Truck and Bus Regulation Compliance Requirement Overview*. Accessed at: <https://www.arb.ca.gov/msprog/onrdiesel/documents/FSRegSum.pdf>.

¹² South Coast Air Quality Management District. CEQA Handbook. Accessed at: <http://www.aqmd.gov/home/regulations/ceqa/air-quality-analysis-handbook>.

Additional Recommended Mitigation Measures for Operational Air Quality Impacts from Air Sources

- Maximize use of solar energy including solar panels; installing the maximum possible number of solar energy arrays on the building roofs and/or on the Project site to generate solar energy for the facility.
- Maximize the planting of trees in landscaping and parking lots.
- Use light colored paving and roofing materials.
- Install light colored “cool” roofs and cool pavements.

Permits

7. The Proposed Project includes a Warehouse and Manufacturing Option. In the event that this development option requires a permit from SCAQMD, SCAQMD should be identified as a Responsible Agency for the Proposed Project in the Final EIR. For more information on permits, please visit SCAQMD webpage at: <http://www.aqmd.gov/home/permits>. Questions on permits can be directed to SCAQMD’s Engineering and Permitting staff at (909) 396-3385.