



South Coast Air Quality Management District

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SENT VIA E-MAIL:

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Draft Environmental Impact Report (Draft EIR) for the Proposed Hollywood Center Project (ENV-2018-2116-EIR) (SCH No.: 2018051002)

South Coast Air Quality Management District (South Coast AQMD) 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.

South Coast AQMD Staff's Summary of Project Description

The Lead Agency is proposing to construct a new mixed-use development on a 4.69-acre site which will be developed with one of two development options (Proposed Project). Development Option 1 consists of construction of four new buildings totaling 1,287,150 square feet, which would include 1,005 residential units and 30,176 square feet of commercial uses, and an additional 166,582 square feet of open space. Development Option 2 consists of construction of four new buildings totaling 1,272,741 square feet, which would include 884 residential units, 220 hotel rooms, and 30,176 square feet of commercial uses, and an additional 150,371 square feet of open space. The Proposed Project is located on the southeast corner of Yucca Street and Ivar Avenue in the community of Hollywood within the City of Los Angeles. Upon review of the Draft EIR and Figure IV.H-3 *Project Location within Freeway Health Risk Assessment Study Area*, South Coast AQMD staff found that the Proposed Project will be located within 520 feet of U.S. Route 101¹. Construction of the Proposed Project is anticipated to begin in 2021 and be completed by 2025². A portion of the Proposed Project will become operational as early as 2024, while construction is ongoing³.

South Coast AQMD Staff's Summary of the Air Quality Analysis and Health Risk Assessment

In the Draft EIR, the Lead Agency quantified the Proposed Project's construction emissions from an overlapping construction scenario, where portions of the Proposed Project's construction would overlap, and compared those emissions to South Coast AQMD's recommended regional and localized air quality CEQA significance thresholds for construction. The Lead Agency found that the Proposed Project's unmitigated regional construction air quality impacts would be significant for nitrogen oxide (NOx) at 132 pounds per day (lbs/day)⁴, which is above South Coast AQMD's regional air quality CEQA significance threshold for construction at 100 lbs/day. The Lead Agency is committed to Mitigation Measure AQ-MM-1, which requires that all construction equipment 50 horsepower (hp) or greater meet Tier 4 off-road emission standards and be outfitted with California Air Resources Board (CARB)-certified Level 3 Diesel Particulate Matter (DPM) filters, or equivalent Best Available Control Technology (BACT), that pole power shall be made available for electric tools during construction, and that construction equipment be maintained in accordance with manufacturer specifications⁵. With

¹ Draft EIR. Section IV.H. Land Use and Planning. Page IV.H-17.

² Draft EIR. Section II Project Description. Page II-71.

³ *Ibid.*

⁴ Draft EIR. Section IV.B Air Quality. Page IV.B-56.

⁵ *Ibid.* Page IV.B-59.

implementation of AQ-MM-1, the Proposed Project's construction air quality impacts from NOx emissions would be reduced to less than significant at 92 lbs/day⁶.

The Lead Agency quantified the Proposed Project's operational emissions in 2024, when a portion of the Proposed Project will become operational, and in 2025 at full buildout for both development options and compared those emissions to South Coast AQMD's recommended regional and localized air quality CEQA significance thresholds for operation. Based on this analysis, the Lead Agency found that the Proposed Project's unmitigated regional operational air quality impacts would be significant for NOx in year 2025 for both development options, with the maximum NOx emissions at 79 lbs/day⁷ in Development Option 2, which is above South Coast AQMD's regional air quality CEQA significance threshold for operation at 55 lbs/day. The Lead Agency is committed to implementing operational Mitigation Measure AQ-MM-2, which requires that routine maintenance and testing of emergency generators on-site occur on different days⁸. With implementation of AQ-MM-2, the Proposed Project's operational air quality impacts from regional NOx emissions would be reduced to less than significant at 49 lbs/day⁹. In addition to AQ-MM-2, the Lead Agency is committed to Project Design Feature GHG-PDF-1 (Green Building Features), which includes a commitment to LEED Gold Certification, thirty percent of code-required parking to be prewired for electric vehicle charging, 10 percent of code-required parking to have electric vehicle charging, and indoor and outdoor water consumption reduction features¹⁰.

The Lead Agency analyzed the Proposed Project's localized construction and operational air quality impacts and found that those impacts would be less than significant¹¹.

The Lead Agency also prepared a Health Risk Assessment (HRA) to disclose potential health risks to residents that may live at the Proposed Project, which is in close proximity to U.S. Route 101. The Lead Agency found that the unmitigated cancer risk at the maximum exposed individual receptor (MEIR) from the surrounding high-volume freeway would be 9.83 in one million¹², which would not exceed South Coast AQMD's CEQA significance threshold of 10 in one million for cancer risk¹³. To comply with Los Angeles Municipal Code (LAMC) 99.05.504.5.3 and 99.04.504.6, the Lead Agency will install MERV 13 filters at the Proposed Project¹⁴ and reduce cancer risk to 5.64 in one million¹⁵.

Summary of South Coast AQMD Staff's Comments

Based on a review of the Draft EIR and supporting technical documents, the Lead Agency likely underestimated the Proposed Project's air quality impacts because the Draft EIR did not analyze an overlapping construction and operational air quality impact scenario. The Lead Agency should also incorporate an additional mitigation measure in the Final EIR to further reduce the Proposed Project's regional construction NOx emissions, particularly during periods of overlapping construction and operational activities. Additionally, due to the Proposed Project's proximity to a high-volume freeway, South Coast AQMD staff recommends the Lead Agency incorporate health risk reduction strategies in the Final EIR. Please see the attachment for more information. Furthermore, based on the Hazards and

⁶ *Ibid.* Page IV.B-60 through IV.B-61.

⁷ *Ibid.* Page IV.B-58.

⁸ *Ibid.* Page IV.B-59 through IV.B-60.

⁹ *Ibid.* Page IV.B-63.

¹⁰ Draft EIR. Section IV.E. Greenhouse Gas Emissions. Page IV.E-41 through IV.E-42.

¹¹ Draft EIR. Section IV.B Air Quality. Page IV.B-66 through IV.B-68.

¹² Draft EIR. Appendix E-2 Freeway Health Risk Assessment. Page 8.

¹³ South Coast AQMD has developed the CEQA significance threshold of 10 in one million for cancer risk. When South Coast AQMD acts as the Lead Agency, South Coast AQMD staff conducts a HRA, compares the maximum cancer risk to the threshold of 10 in one million to determine the level of significance for health risk impacts, and identifies mitigation measures if the risk is found to be significant.

¹⁴ Draft EIR. Appendix E-2 Freeway Health Risk Assessment. Page 8.

¹⁵ *Ibid.* Page 43.

Hazardous Materials Section, the Proposed Project site was used as a gasoline and automotive service station and a laundry and/or dry-cleaning business. Volatile organic compounds were found in the soils. Therefore, the Proposed Project is subject to the requirements of South Coast AQMD Rule 1166. The attachment includes information regarding compliance with this rule.

Conclusion

Pursuant to California Public Resources Code Section 21092.5(a) and CEQA Guidelines Section 15088(b), South Coast AQMD staff requests that the Lead Agency provide South Coast AQMD 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, informative, or useful to decision makers and to the public who are interested in the Proposed Project. Further, if the Lead Agency makes the findings that the recommended new mitigation measure is not feasible, the Lead Agency should describe the specific reasons supported by substantial evidence for rejecting it in the Final EIR (CEQA Guidelines Section 15091).

South Coast AQMD staff is available to work with the Lead Agency to address any air quality questions that may arise from this comment letter. Please contact Alina Mullins, Assistant Air Quality Specialist, at amullins@aqmd.gov if you have questions or wish to discuss the comments.

Sincerely,

Lijin Sun

Lijin Sun, J.D.

Program Supervisor, CEQA IGR

Planning, Rule Development & Area Sources

Attachment
LS:AM
LAC200416-01
Control Number

ATTACHMENT

1. Air Quality Analysis – Overlapping Construction and Operational Activities

Based on a review of the Air Quality Analysis in the Draft EIR, South Coast AQMD staff found that the Lead Agency did not analyze a scenario where construction activities overlap with operational activities (e.g., some components of the Proposed Project may be operational in year 2024 while some other components are under construction until year 2025). Since construction of the Proposed Project is expected to occur over four and a half years from 2021 to 2025, and the Proposed Project will be operational as early as 2024¹⁶, it is reasonably foreseeable that construction and operation may overlap for at least one year between years 2024 and 2025. If an overlapping construction and operation scenario is reasonably foreseeable at the time the Draft EIR was prepared, South Coast AQMD staff recommends that the Lead Agency analyze the Proposed Project's air quality impacts from overlapping construction and operational activities. Additionally, as stated above, the Proposed Project's mitigated construction and operational emissions from NO_x (e.g., 92 lbs/day and 49 lbs/day) were slightly below South Coast AQMD's regional air quality CEQA significance thresholds for construction and operation, respectively. To provide a conservative and more comprehensive analysis of the Proposed Project's air quality impacts, the Lead Agency should use its best efforts to identify the overlapping construction and operational years and activities, combine construction emissions (including emissions from demolition) with operational emissions, and compare the combined emissions to South Coast AQMD's air quality CEQA *operational* thresholds of significance to determine the level of significance in the Final EIR. If the air quality analysis from overlapping construction and operational activities is not included in the Final EIR, the Lead Agency should provide reasons for not including the analysis supported by substantial evidence in the record.

2. Additional Recommended Construction Air Quality Mitigation Measure

CEQA requires that all feasible mitigation measures that go beyond what is required by law be utilized to minimize or eliminate any significant adverse air quality impacts. To further reduce the Proposed Project's NO_x emissions, particularly from the overlapping construction and operational activities after revisions to the Air Quality Analysis in response to Comment No.1, South Coast AQMD staff recommends that the Lead Agency incorporate the following additional construction mitigation measure in the Final EIR.

- a) During the grading/excavation phase, the Proposed Project will require a maximum of 192 one-way haul trips for 209 days, which will contribute over 65 percent of the Proposed Project's mitigated construction NO_x emissions (63 lbs/day out of 92 lbs/day)¹⁷. To further reduce construction NO_x emissions from haul truck trips, the Lead Agency should require the use of zero-emissions (ZE) or near-zero emissions (NZE) haul trucks during construction, such as trucks with natural gas engines that meet the CARB's adopted optional NO_x emission standard of 0.02 grams per brake horsepower-hour (g/bhp-hr). At a minimum, require that truck operator(s)/construction contractor(s) commit to using 2010 model year or newer engines that meet CARB's 2010 engine emission standards of 0.01 g/bhp-hr for particulate matter (PM) and 0.20 g/bhp-hr of NO_x emissions or newer, cleaner trucks. To monitor and ensure ZE, NZE, or 2010 model year or newer trucks are used at the Proposed Project, the Lead Agency should require that truck operator(s)/construction contractor(s) maintain records of all trucks associated with the Proposed Project's construction and make these records available to the Lead Agency upon request. Alternatively, the Lead Agency should require periodic reporting and provision of

¹⁶ Draft EIR, Section IV.B Air Quality, Page IV.B-41.

¹⁷ Technical Files for Hollywood Center Project. Excel files: "Construction Haul Truck Emissions-AQ-GHG(022520)", "Hollywood CSTN Summary (022520) – Adj Unmitigated", and "Hollywood CSTN Summary (022520) Adj Tier 4."

written records by truck operator(s)/construction contractor(s) and conduct regular inspections of the records to the maximum extent feasible and practicable.

Technology is transforming the environmental sector and land use planning at a rapid pace. Cleaner trucks such as ZE or NZE trucks are increasingly more feasible and commercially available as technology advances. If using ZE or NZE trucks as a mitigation measure to reduce the Proposed Project's construction air quality impacts is not feasible today, cleaner trucks could become feasible in a reasonable period of time during the Proposed Project's four-and-a-half-year construction period (CEQA Guidelines Section 15364). Therefore, it is recommended that the Lead Agency develop a process with performance standards to deploy the lowest emission technologies and incentivize the use of ZE or NZE heavy-duty trucks during construction (CEQA Guidelines Section 15126.4(a)). The Lead Agency can and should develop the performance standards as follows or any other comparable standards in the Final EIR.

- Develop a minimum amount of ZE or NZE heavy-duty trucks that the Proposed Project must use during each year of construction to ensure adequate progress. Include this requirement in the Proposed Project's construction bid documents.
- Establish a construction contractor(s)/truck operator(s) selection policy that prefers construction contractor(s)/truck operator(s) who can supply ZE or NZE heavy-duty trucks at the Proposed Project. Include this policy in the Request for Proposal for selecting construction contractor(s)/truck operator(s).
- Develop a target-focused and performance-based process and timeline to review the feasibility to implement the use of ZE or NZE heavy-duty trucks during construction.
- Develop a project-specific process and criteria for periodically assessing progress in implementing the use of ZE or NZE heavy-duty trucks during construction.

3. Health Risk Reduction Strategies

Notwithstanding the court rulings, South Coast AQMD staff recognizes that Lead Agencies that approve CEQA documents retain the authority to include any additional information they deem relevant to assessing and mitigating the environmental impacts of a project. Because of South Coast AQMD's concern about the potential public health impacts of siting sensitive populations within close proximity to major sources of air pollution, such as high-volume freeways, South Coast AQMD staff recommends that the Lead Agency review and consider the following comments when making local planning and land use decisions.

Sensitive receptors are people that have an increased sensitivity to air pollution or environmental contaminants. Sensitive receptors include schools, daycare centers, nursing homes, elderly care facilities, hospitals, and residential dwelling units. As stated above, the Proposed Project will include, among others, construction of a maximum 1,005 residential units within 580 feet of existing U.S. Route 101¹⁸. In 2018, U.S. Route 101 had 226,000 annual average daily trips, 32% of which was comprised of 4- and 5-axle trucks at Los Angeles/Highland Avenue Interchange (Post Mile 7.84)¹⁹. Sensitive receptors living at the Proposed Project could be exposed to diesel particulate matter (DPM) emissions from diesel fueled, heavy-duty trucks passing by on U.S. Route 101. CARB has identified DPM as a toxic air contaminant

¹⁸ Draft EIR, Section IV.H. Land Use and Planning, Pages IV.H-17 through IV.H-18.

¹⁹ California Department of Transportation. 2018. *Truck Traffic: Annual Average Daily Truck Traffic*. Accessed at: <https://dot.ca.gov/-/media/dot-media/programs/traffic-operations/documents/f0017681-2016-aadt-truck-a11y.pdf>

based on its carcinogenic effects²⁰. Future residents at the Proposed Project could be exposed to DPM emissions from the mobile sources traveling on U.S. Route 101 (e.g., diesel fueled, heavy-duty trucks).

Many strategies are available to reduce exposure, including, but not limited to, building filtration systems with Minimum Efficiency Reporting Value (MERV) 13 or better, or in some cases, MERV 15 or better is recommended; building design, orientation, location; vegetation barriers or landscaping screening, etc. Enhanced filtration units are capable of reducing exposures. Installation of enhanced filtration units can be verified during occupancy inspection prior to the issuance of an occupancy permit. Here, the Lead Agency requires MERV 13 filters be installed at the Proposed Project in accordance with LAMC 99.05.504.5.3 and 99.04.504.6²¹.

Enhanced filtration systems have limitations. In a study that South Coast AQMD conducted to investigate filters²², a cost burden is expected to be within the range of \$120 to \$240 per year to replace each filter. The initial start-up cost could substantially increase if an HVAC system needs to be installed. In addition, because the filters would not have any effectiveness unless the HVAC system is running, there may be increased energy costs to the building tenants. It is typically assumed that the filters operate 100 percent of the time while sensitive receptors are indoors, and the environmental analysis does not generally account for the times when sensitive receptors have windows or doors open or are in common space areas of a project. Moreover, these filters have no ability to filter out any toxic gases from vehicle exhaust. Therefore, the presumed effectiveness and feasibility of any filtration units should be carefully evaluated in more detail and disclosed to prospective residences prior to assuming that they will sufficiently alleviate exposures to DPM emissions.

Because of limitations, to ensure that enhanced filters are enforceable throughout the lifetime of the Proposed Project and effective in reducing exposures to DPM emissions, South Coast AQMD staff recommends that the Lead Agency provide additional details regarding the ongoing, regular inspection, monitoring, and maintenance of MERV 13 filters in the Final EIR. To facilitate a good-faith effort at full disclosure and provide useful information to residents who will live at the Proposed Project, at a minimum, the Final EIR should include the following information:

- Disclose the potential health risks to residents who live in close proximity U.S. Route 101 and the reduced effectiveness of the air filtration system when windows are open and/or residents are outdoors (e.g., in the common usable open space areas);
- Identify the responsible implementing and enforcement agency such as the Lead Agency, Homeowners Association (HOA), property manager(s), and/or building operator(s)/tenant(s) to verify that enhanced filtration units are installed on-site at the Proposed Project before a permit of occupancy is issued to ensure compliance with LAMC 99.05.504.5.3 and 99.04.504.6;
- Identify the responsible implementing and enforcement agency, such as the Lead Agency, HOA, property manager(s), and/or building operator(s)/tenant(s) to ensure that enhanced filtration units are inspected and maintained regularly;
- Disclose the potential increase in energy costs for running the HVAC system to the HOA representatives, prospective residents, property manager(s), and/or building operator(s)/tenant(s);

²⁰ California Air Resources Board. August 27, 1998. Resolution 98-35. Accessed at: <http://www.arb.ca.gov/regact/diesltac/diesltac.htm>.

²¹ Draft EIR. Appendix E-2 Freeway Health Risk Assessment. Page 8.

²² This study evaluated filters rated MERV 13 or better. Accessed at: <http://www.aqmd.gov/docs/default-source/ceqa/handbook/aqmdpilotstudyfinalreport.pdf>. Also see 2012 Peer Review Journal article by South Coast AQMD: <http://d7.iqair.com/sites/default/files/pdf/Polidori-et-al-2012.pdf>.

- Provide information to the HOA representatives, prospective residents, property manager(s), and/or building operator(s)/tenant(s) on where the MERV 13 filters can be purchased;
- Provide recommended schedules (e.g., every year or every six months) for replacing the enhanced filtration units and disclose that information to the HOA representatives, prospective residents, property manager(s), and/or building operator(s)/tenant(s);
- Identify the responsible entity, such as the Lead Agency, the HOA, residents themselves, or property management, for ensuring enhanced filtration units are replaced on time, if appropriate and feasible (if the building operators/tenants and/or prospective residents should be responsible for the periodic and regular purchase and replacement of the enhanced filtration units, the Lead Agency should include this information in the disclosure form to them);
- Identify, provide, and disclose ongoing cost sharing strategies, if any, for replacing the enhanced filtration units;
- Set City-wide, or Proposed Project-specific criteria for assessing progress in inspecting and replacing the enhanced filtration units, and maintain records to demonstrate ongoing, regular inspection, monitoring, and maintenance of MERV 13 filters; and
- Develop a City-wide, or Proposed Project-specific process for evaluating the effectiveness of the enhanced filtration units, and maintain records to demonstrate the evaluation.

4. Compliance with South Coast AQMD Rule 1166

Historically, the Proposed Project site was used to support the operations of a gasoline and automotive service station and a laundry and/or dry-cleaning business²³. As such, the Lead Agency conducted Phase I and II Environmental Site Assessments (ESAs) and found VOCs, such as perchloroethylene and carbon tetrachloride, were above the Environmental Screening Level for residential and commercial structures²⁴. Additionally, the Lead Agency found that existing structures, such as an underground storage tank, may be present on site²⁵.

Due to the historical site usage and the results from the ESAs, the Lead Agency has committed to mitigation measure HAZ-MM-1. This mitigation measure requires that a Soil Management Plan be prepared to include policies for management and disposal of soil, or existing structures, should contaminated soils be encountered²⁶.

Disturbing and excavating soils that may contain hydrocarbons or toxic air contaminants are subject to the requirements of South Coast AQMD Rule 1166 – Volatile Organic Compound Emissions from Decontamination of Soil²⁷. The Lead Agency should include a discussion on South Coast AQMD Rule 1166 in the Air Quality Section of the Final EIR. In addition, prior to the commencement of soil or structure removal activities, the Lead Agency should consult with South Coast AQMD’s Engineering and Permitting staff to determine whether any permits, plans, or additional compliance measures will need to be filed and approved by South Coast AQMD prior to start of such activities during the Proposed Project’s construction. If a permit from South Coast AQMD is required, South Coast AQMD should be identified as a Responsible Agency for the Proposed Project in the Final EIR. Any assumptions used in

²³ Draft EIR, Section IV.F Hazards and Hazardous Materials, Page IV.F-9 through IV.F-10.

²⁴ *Ibid.* Page IV.F-16.

²⁵ *Ibid.* Page IV.F-10.

²⁶ *Ibid.* Page IV.F-26.

²⁷ South Coast AQMD, Rule 1166 – Volatile Organic Compound Emissions from Decontamination of Soil. Accessed at: <http://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1166.pdf>.

the Air Quality Analysis in the Final EIR will be used as the basis for permit conditions and limits for the Proposed Project. Should there be any questions on permits, please contact South Coast AQMD's Engineering and Permitting staff at (909) 396-3385. For more general information on permits, please visit South Coast AQMD's webpage at: <http://www.aqmd.gov/home/permits>.