



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 Proposed Moreno Valley Trade Center (Proposed Project) (SCH No.: 2020039038)

South Coast Air Quality Management District (South Coast AQMD) staff appreciates the opportunity to comment on the above-mentioned document. The City of Moreno Valley is the California Environmental Quality Act (CEQA) Lead Agency for the Proposed Project. The following comments include recommended revisions to the CEQA air quality impact analysis, air quality mitigation measures, information on South Coast AQMD Rules 2305 and 316, and information on South Coast AQMD permits for stationary equipment that the Lead Agency should include in the Final EIR.

Based on the Draft EIR, the Proposed Project consists of construction and operation of a 1,328,853-square-foot building that would be used for either warehouse distribution and logistics operation or fulfillment and e-commerce operation and that 50,000 square feet of the building could be used as cold storage using trucks fitted with transport refrigeration units (TRUs) on 72.5 acres¹. Construction of the Proposed Project will occur in a 19-month period. At full buildout in 2023, the Proposed Project will generate 2,321 vehicular trips per day, including 885 truck trips for warehouse distribution and logistics operation, or 6,607 vehicular trips per day, including 857 truck trips for fulfillment and e-commerce operation². The Proposed Project will include 104 loading docks and 110 truck trailer parking spaces on the north side of the building, and 121 loading docks and 128 trailer parking spaces on the south side of the building³. The nearest sensitive receptors (i.e. residential uses) are located 118 feet on the south side of the Proposed Project⁴.

South Coast AQMD Staff's Comments

Based on a review of the Draft EIR and supporting technical appendices, South Coast AQMD staff has four comments. A summary of these comments is provided as follows with additional details provided in the attachment.

1. CEQA Air Quality Impact Analysis: In the Draft EIR, the Lead Agency discussed that the Proposed Project could include cold storage but did not quantify operational

¹ Draft EIR. Page 3-26.

² *Ibid.* Page 3-27.

³ *Ibid.* Page 3-8.

⁴ *Ibid.* Page 4.2-19

emissions from the use of diesel-fueled TRUs. The Lead Agency should quantify those emissions in the Final EIR.

2. Additional Recommended Air Quality Mitigation Measures: In the Draft EIR, the Lead Agency found that the Proposed Project would result in unavoidable, significant air quality impacts from construction and operational activities. To further reduce those impacts, the Lead Agency should require the use of clean off-road and on-road construction equipment, and clean heavy-duty trucks such as zero-emissions or near-zero emissions trucks during operation in the Final EIR.
3. South Coast AQMD Rule 2305 and Rule 316: Since the Proposed Project consists of a 1,328,853-square-foot building that would be used for warehouse activities, the Proposed Project's warehouse owner(s) and operator(s) will be required to comply with the requirements of South Coast AQMD Rule 2305 once the warehouse is occupied. Rule 316 is a companion fee rule for Rule 2305 to allow South Coast AQMD to recover costs associated with Rule 2305 compliance activities.
4. Responsible Agency and South Coast AQMD Permits: If the Proposed Project will use stationary equipment such as emergency generators and fire pumps during operation, permits from South Coast AQMD are required. South Coast AQMD should be identified as a Responsible Agency in the Final EIR

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 me at lsun@aqmd.gov, if you have any 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

RVC210601-04

Control Number

ATTACHMENT

1. CEQA Air Quality Impact Analysis

The Lead Agency proposes to develop a 1,328,853-square-foot building with a portion that could be used as cold storage using trucks fitted with TRUs. However, the land usage that was selected in CalEEMod to quantify the Proposed Project's operational emissions included, among others, "Unrefrigerated Warehouse-No Rail" and did not quantify operational emissions from the use of diesel-fueled TRUs. To conservatively analyze the worst-case impact scenario that is reasonably foreseeable at the time the EIR is prepared, South Coast AQMD staff recommends that the Lead Agency revise the air quality impact analysis to calculate and disclose operational emissions from NO_x and diesel particulate matter from TRUs in the Final EIR, unless the Lead Agency expressly prohibits the Proposed Project from including cold storage as a project requirement or a development condition.

2. Additional Recommended Air Quality Mitigation Measures

CEQA requires that all feasible mitigation measures that go beyond what is required by law be utilized to minimize or eliminate significant adverse impacts. Since the Proposed Project will result in significant and unavoidable construction and operational air quality impacts, and to further reduce those impacts, South Coast AQMD staff recommends that the Lead Agency require the use of cleaner construction equipment and on-road haul trucks (e.g., material delivery trucks and soil import/export) and incorporate additional operational mitigation measures in the Final EIR.

Mitigation Measures for Reducing Construction Air Quality Impacts

- Require that construction equipment equal to or greater than 50 horsepower be electrically powered or alternatively fueled. At a minimum, require the use of construction equipment rated by the United States Environmental Protection Agency as having Tier 4 Final (model year 2008 or newer) emission limits. Include this requirement in applicable bid documents, purchase orders, and contracts. Successful contractor(s) must demonstrate the ability to supply the compliant construction equipment for use prior to any ground disturbing and construction activities. A copy of each unit's certified tier specification or model year specification shall be available upon request at the time of mobilization of each applicable unit of equipment. Require periodic reporting and provision of written construction documents by construction contractor(s) to ensure compliance, and conduct regular inspections to the maximum extent feasible to ensure compliance. In the event that construction equipment cannot meet the Tier 4 Final engine certification, the project representative or contractor must demonstrate through future studies with written findings supported by substantial evidence that is approved by the Lead Agency before using other technologies/strategies. Alternative applicable strategies may include, but would not be limited to, construction equipment with Tier 4 Interim or reduction in the number and/or horsepower rating of construction equipment and/or limiting the number of construction equipment operating at the same time. All equipment must be tuned and maintained in compliance with the manufacturer's recommended maintenance schedule and specifications. All maintenance records for each equipment and their contractor(s) should be made available

for inspection and remain on-site for a period of at least two years from completion of construction.

- Require the use of zero-emission (ZE) or near-zero emission (NZE) on-road haul trucks (e.g., material delivery trucks and soil import/export) such as heavy-duty trucks with natural gas engines that meet the California Air Resources Board (CARB)'s adopted optional NOx emission standard at 0.02 grams per brake horsepower-hour (g/bhp-hr), and ensure that supportive infrastructure will be available for ZE/NZE trucks. At a minimum, require the use of 2010 model year⁵ that meet CARB's 2010 engine emissions standards at 0.01 g/bhp-hr of particulate matter (PM) and 0.20 g/bhp-hr of NOx emissions or newer, cleaner trucks. To monitor and ensure ZE, NZE, or 2010 model year trucks are used at the future development projects, the Lead Agency should require that operators maintain records of all trucks associated with the future development projects' construction and make these records available to the Lead Agency upon request. The records will serve as evidence to prove that each truck called to the future development projects during construction meets the minimum 2010 model year engine emission standards. Alternatively, the Lead Agency should require periodic reporting and provision of written records by contractors working on the future development projects and conduct regular inspections of the records.

Mitigation Measures for Reducing Operational Air Quality Impacts

Mitigation measures for operational air quality impacts from mobile sources that the Lead Agency should consider in the Final EIR may include the following:

- Require ZE or NZE on-road haul trucks such as heavy-duty trucks with natural gas engines that meet the CARB's adopted optional NOx emissions standard at 0.02 grams per brake horsepower-hour (g/bhp-hr), if and when feasible. Given the state's clean truck rules and regulations aiming to accelerate the utilization and market penetration of ZE and NZE trucks such as the Advanced Clean Trucks Rule⁶ and the Heavy-Duty Low NOx Omnibus Regulation⁷, ZE and NZE trucks will become increasingly more available to use. The Lead Agency should require a phase-in schedule to incentive the use of these cleaner operating trucks to reduce any significant adverse air quality impacts. South Coast AQMD staff is available to discuss the availability of current and upcoming truck technologies and incentive programs with the Lead Agency. At a minimum, require the

⁵ CARB adopted the statewide Truck and Bus Regulation in 2010. The Regulation requires diesel trucks and buses that operate in California to be upgraded to reduce emissions. Newer heavier trucks and buses must meet particulate matter filter requirements beginning January 1, 2012. Lighter and older heavier trucks must be replaced starting January 1, 2015. By January 1, 2023, nearly all trucks and buses will need to have 2010 model year engines or equivalent. More information on the CARB's Truck and Bus Regulation is available at: <https://www.arb.ca.gov/msprog/onrdiesel/onrdiesel.htm>.

⁶ CARB. June 25, 2020. *Advanced Clean Trucks Rule*. Accessed at: <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-trucks>.

⁷ CARB has recently passed a variety of new regulations that require new, cleaner heavy-duty truck technology to be sold and used in state. For example, on August 27, 2020, CARB approved the Heavy-Duty Low NOx Omnibus Regulation, which will require all trucks to meet the adopted emission standard of 0.05 g/hp-hr starting with engine model year 2024. Accessed at: <https://ww2.arb.ca.gov/rulemaking/2020/hdomnibuslownox>.

use of 2010 model year⁸ that meet CARB's 2010 engine emissions standards at 0.01 g/bhp-hr of particulate matter (PM) and 0.20 g/bhp-hr of NOx emissions or newer, cleaner trucks. Include environmental analyses to evaluate and identify sufficient electricity and supportive infrastructures in the Energy and Utilities and Service Systems Sections in the CEQA document, where appropriate. Include the requirement in applicable bid documents, purchase orders, and contracts. Operators shall maintain records of all trucks associated with project construction to document that each truck used meets these emission standards, and make the records available for inspection. The Lead Agency should conduct regular inspections to the maximum extent feasible to ensure compliance.

- Limit the daily number of trucks allowed at the Proposed Project to levels analyzed in the Final EIR. 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 higher activity level.
- Provide electric vehicle (EV) charging stations or at a minimum, provide the electrical infrastructure and electrical panels should be appropriately sized. Electrical hookups should be provided for truckers to plug in any onboard auxiliary equipment.

Mitigation measures for operational air quality impacts from other area sources that the Lead Agency should consider in the Final EIR may include the following:

- Maximize use of solar energy by installing solar energy arrays.
- Use light colored paving and roofing materials.
- Utilize only Energy Star heating, cooling, and lighting devices, and appliances.
- Use of water-based or low VOC cleaning products that go beyond the requirements of South Coast AQMD Rule 1113.

Design considerations for the Proposed Project that the Lead Agency should consider to further reduce air quality and health risk impacts include the following:

- Clearly mark truck routes with trailblazer signs, so that trucks will not travel next to or near sensitive land uses (e.g., residences, schools, day care centers, etc.).
- Design the Proposed Project such that truck entrances and exits are not facing sensitive receptors and trucks will not travel past sensitive land uses to enter or leave the Proposed Project site.
- Design the Proposed Project such that any check-in point for trucks is inside the Proposed Project site to ensure that there are no trucks queuing outside.
- Design the Proposed Project to ensure that truck traffic inside the Proposed Project site is as far away as feasible from sensitive receptors.
- Restrict overnight truck parking in sensitive land uses by providing overnight truck parking inside the Proposed Project site.

⁸ CARB adopted the statewide Truck and Bus Regulation in 2010. The Regulation requires diesel trucks and buses that operate in California to be upgraded to reduce emissions. Newer heavier trucks and buses must meet particulate matter filter requirements beginning January 1, 2012. Lighter and older heavier trucks must be replaced starting January 1, 2015. By January 1, 2023, nearly all trucks and buses will need to have 2010 model year engines or equivalent. More information on the CARB's Truck and Bus Regulation is available at: <https://www.arb.ca.gov/msprog/onrdiesel/onrdiesel.htm>.

3. South Coast AQMD Rule 2305 and Rule 316

On May 7, 2021, South Coast AQMD's Governing Board adopted Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program, and Rule 316 – Fees for Rule 2305. Rules 2305 and 316 are new rules that will reduce regional and local emissions of nitrogen oxides (NOx) and particulate matter (PM), including diesel PM. These emission reductions will reduce public health impacts for communities located near warehouses from mobile sources that are associated with warehouse activities. Also, the emission reductions will help the region attain federal and state ambient air quality standards. Rule 2305 applies to owners and operators of warehouses greater than or equal to 100,000 square feet. Under Rule 2305, operators are subject to an annual WAIRE Points Compliance Obligation that is calculated based on the annual number of truck trips to the warehouse. WAIRE Points can be earned by implementing actions in a prescribed menu in Rule 2305, implementing a site-specific custom plan, or paying a mitigation fee. Warehouse owners are only required to submit limited information reports, but they can opt in to earn Points on behalf of their tenants if they so choose because certain actions to reduce emissions may be better achieved at the warehouse development phase, for instance the installation of solar and charging infrastructure. Rule 316 is a companion fee rule for Rule 2305 to allow South Coast AQMD to recover costs associated with Rule 2305 compliance activities. Since the Proposed Project consists of the development of a 1,328,853-square-foot building that would be used for warehouse activities, the Proposed Project's warehouse owners and operators will be required to comply with Rule 2305 once the warehouse is occupied. Therefore, South Coast AQMD staff recommends that the Lead Agency review South Coast AQMD Rule 2305 to determine the potential WAIRE Points Compliance Obligation for future operators and explore whether additional project requirements and CEQA mitigation measures can be identified and implemented at the Proposed Project that may help future warehouse operators meet their compliance obligation⁹. South Coast AQMD staff is available to answer questions concerning Rule 2305 implementation and compliance by phone or email at (909) 396-3140 or waire-program@aqmd.gov. For implementation guidance documents and compliance and reporting tools, please visit South Coast AQMD's WAIRE Program webpage¹⁰.

4. Responsible Agency and South Coast AQMD Permits

If implementation of the Proposed Project requires the use of stationary equipment, including but not limited to, emergency generators and emergency fire pumps, permits from South Coast AQMD are required. South Coast AQMD should be identified as a Responsible Agency for the Proposed Project in the Final EIR. The assumptions in the air quality analysis in the Final EIR will be the basis for evaluating permit under CEQA and imposing permit conditions and limits. Questions on permits should be directed to South Coast AQMD's Engineering and Permitting staff at (909) 396-3385.

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

⁹ South Coast AQMD Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program. Accessed at: <http://www.aqmd.gov/docs/default-source/rule-book/reg-xxiii/r2305.pdf>.

¹⁰ South Coast AQMD WAIRE Program. Accessed at: <http://www.aqmd.gov/waire>.

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 additional recommended air quality mitigation measures are not feasible, the Lead Agency should describe the specific reasons supported by substantial evidence for rejecting them in the Final EIR (CEQA Guidelines Section 15091).