



South Coast Air Quality Management District

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SENT VIA E-MAIL:

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Mitigated Negative Declaration (MND) for the Proposed 12772 San Fernando Road Project (ENV-2021-4571) (Proposed Project)

South Coast Air Quality Management District (South Coast AQMD) staff appreciates the opportunity to comment on the above-mentioned document. The City of Los Angeles is the California Environmental Quality Act (CEQA) Lead Agency for the Proposed Project. The following comments include recommended revisions to the CEQA regional air quality impacts analysis for cleanup activities during construction, health risk assessment for air toxics, and information about South Coast AQMD Rules 2305 and 316 that the Lead Agency should include in the Final MND.

South Coast AQMD Staff's Summary of Project Information in the MND

Based on the MND, the Proposed Project consists of construction and operation of a 155,446-square-foot building for warehouse and manufacturing activities on a 6.48-acre infill site that is located near the northeast corner of North San Fernando Road and Oswald Street in the community of Sylmar. Construction of the Proposed Project is anticipated to begin in the third quarter of 2022. Operation is expected to begin in 2023. The 107,146-square-foot warehouse portion with 27 loading docks is expected to involve 62 one-way trucks per day. Based on a review of aerial photographs, South Coast AQMD staff found that the nearest sensitive receptor (e.g., residence) is within 100 feet of the Proposed Project.

South Coast AQMD Staff's Comments

CEQA Regional Air Quality Impacts Analysis for Cleanup Activities during Construction

Based on the Hazards and Hazardous Materials Section in the MND, preparation of a soil management plan to provide at a minimum a description of potential subsurface contamination areas associated with a previous railroad spur on the site, soil sampling procedures, and guidance for special handling and legal disposal of excavated materials if soil contamination is discovered, as well as documentation and reporting requirements¹. However, the Lead Agency did not analyze air quality impacts from cleanup activities in the MND.

Cleanup activities will likely involve the use of heavy-duty, diesel-fueled trucks for soil export and result in emissions from truck hauling activities and vehicle trips by workers that will be

¹ *Ibid.* Page 50.

required to conduct cleanup activities. Additionally, cleanup activities will likely require the use of additional equipment that may be different from typical equipment for grading and site preparation for construction. If cleanup activities are reasonably foreseeable at the time the MND was prepared, the Lead Agency should use good faith, best efforts to provide information on the scope, types, and duration of cleanup activities, quantify emissions from cleanup activities, and include those emissions in the Proposed Project's construction emissions profile to be compared to South Coast AQMD's air quality CEQA significance thresholds for construction to determine the level of significance in the Final MND. Alternatively, if emissions from cleanup activities are not included in the Final MND, the Lead Agency should include a new air quality mitigation measure in the Air Quality Section of the Final MND to commit to evaluating the cleanup activities through CEQA prior to commencing the activities or provide reasons for not including the emissions calculations or mitigation measure supported by substantial evidence in the record.

Based on the emission calculations from the CalEEMod output files, the Lead Agency used the default one-way truck trip length of 20 miles to quantify the Proposed Project's construction emissions from hauling construction materials and importing or exporting soil. Since cleanup activities could include the removal and disposal of contaminated soil, and depending on the type of contamination, contaminated soil may not be accepted at Sunshine Canyon Landfill² and may need to be disposed at a permitted hazardous disposal facility outside Los Angeles County with a one-way truck trip length that is likely longer than 20 miles. Therefore, South Coast AQMD staff recommends that the Lead Agency identify the permitted hazardous disposal facility that the Proposed Project could use to dispose contaminated soil, disclose the information in the Final MND, and re-calculate the Proposed Project's construction emissions from haul truck trips for the transport and disposal of contaminated soil based on the appropriate one-way truck trip length. If construction emissions from haul truck trips for transporting contaminated soil are not re-calculated in the Final MND, the Lead Agency should provide reasons for not re-calculating them supported by substantial evidence in the record.

Mobile Source Health Risk Assessments for Air Toxics

Based on a review of the MND and technical appendices, South Coast AQMD staff found that the MND did not perform a mobile source health risk assessment (HRA). Because the warehouse uses of the Proposed Project during operation will attract heavy-duty, diesel-fueled vehicular trips (e.g., 62 one-way truck trips per day) that emit diesel particulate matter, which is an air toxic and carcinogen, it is recommended that the Lead Agency perform a mobile source HRA and compare the Proposed Project's cancer risk to South Coast AQMD CEQA significance threshold of 10 in one million for cancer risk to determine the level of significance for the Proposed Project's health risk impact in the Final MND³. If a mobile source HRA is not included in the Final MND, the Lead Agency should provide reasons for not including it supported by substantial evidence in the record.

² *Ibid.* Page 91.

³ South Coast AQMD's guidance for performing a mobile source health risk assessment can be found at: <http://www.aqmd.gov/home/regulations/ceqa/air-quality-analysis-handbook/mobile-source-toxics-analysis>.

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 (NO_x) 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 building with 107,146 square feet of 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 obligation. 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 webpage.⁴

Conclusion

Pursuant to CEQA Guidelines Section 15074, prior to approving the Proposed Project, the Lead Agency shall consider the MND for adoption together with any comments received during the public review process. Please provide South Coast AQMD with written responses to all comments contained herein prior to the adoption of the Final MND. When responding to issues raised in the comments, responses should provide sufficient details 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 do not facilitate the purpose and goal of CEQA on public disclosure and are not meaningful, informative, or useful to decision makers and the public who are interested in the Proposed Project.

⁴ South Coast AQMD. WAIRE Program. Accessed at: <http://www.aqmd.gov/waire>.

Kevin Golden

January 4, 2022

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, should you have any questions.

Sincerely,

Lijin Sun

Lijin Sun

Program Supervisor, CEQA IGR

Planning, Rule Development and Area Sources

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