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SENT VIA E-MAIL:

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<u>Final Environmental Impact Report (FEIR) for the Proposed Menifee Commerce Center Project</u> (Proposed Project) (SCH No.: 2021060247)

South Coast Air Quality Management District (South Coast AQMD) staff appreciates the opportunity to comment on the above-mentioned document. The City of Menifee is the California Environmental Quality Act (CEQA) Lead Agency for the Proposed Project. The following comments on Rule 2305 - Warehouse Actions and Investments to Reduce Emissions (WAIRE) - are meant as guidance for the lead agency and should be incorporated into the Final CEQA document.

South Coast AQMD Staff's Summary of Project Information

Based on the draft EIR, the Proposed Project consists of construction and operation of 72 acres and up to approximately 1,640,130 square feet of e-commerce and warehouse space within two buildings.¹ Once operational the Proposed Project is anticipated to generate a maximum of approximately 470 to 508 truck trips per day.² The nearest sensitive receptor is located approximately 25 feet north of the Proposed Project site.³ During the operation phase the Proposed Project is projected to have significant and unavoidable regional air quality impacts for nitrogen oxide (NOx) emissions, most of which will come from mobile sources.⁴ The Proposed Project is located near the southwest corner of Ethanac Road and Dawson Road in the City of Menifee, Riverside County, California 92585.⁵ Construction of the Proposed Project will occur in one phase, starting in the first quarter of 2023 with an anticipated completion in the 4th quarter of 2024.6

South Coast AOMD Staff's Comments on the FEIR

As stated in our comment letter on 7/6/21⁷ and 6/8/21,⁸ South Coast AQMD staff is concerned about potential public health impacts of siting warehouses within close proximity of sensitive land uses. The South Coast AQMD's Multiple Air Toxics Exposure Study (MATES V), completed in August 2021, concluded that the largest contributor to cancer risk from air pollution is diesel particulate matter (DPM) emissions.⁹ According to the MATES V Carcinogenic Risk Interactive Map, the area surrounding the Proposed Project has an estimated cancer risk of 306 in one million.¹⁰ Operation of warehouses generates and attracts heavy-duty diesel-fueled trucks that emit DPM. When the health impacts from the Proposed Project are added to those existing impacts, residents living in the communities surrounding the Proposed

¹ Draft EIR. Project Description. Page 2-6.

² Ibid. Page 2-6 through 2-7.

³ *Ibid.* Air Quality. Page 4.2-28.

⁴ *Ibid*. Page 4.2-20 through 4.2-21.

⁵ *Ibid.* Project Description. Page 2-1.

⁶ *Ibid.* Greenhouse Gas Emissions. Page 4.7-1.

⁷ http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2021/july/RVC210615-06.pdf

⁸ http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2021/june/RVC210518-01.pdf

⁹ South Coast AQMD. August 2021. *Multiple Air Toxics Exposure Study in the South Coast Air Basin V*. Available at: http://www.aqmd.gov/home/air-quality/air-quality-studies/health-studies/mates-v.

¹⁰ South Coast AQMD. MATES V Data Visualization Tool. Accessed at: MATES Data Visualization (arcgis.com).

Project will possibly face an even greater exposure to air pollution and bear a disproportionate burden of increasing health risks.

On May 7, 2021, South Coast AQMD's Governing Board adopted Rule 2305 – Warehouse Indirect Source Rule WAIRE Program, and Rule 316 – Fees for Rule 2305. Rules 2305 and 316 are new rules that will reduce regional and local emissions of NOx and particulate matter (PM), including diesel PM, from mobile sources that are associated with warehouse activities. These emission reductions will reduce public health impacts for communities located near warehouses. 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 development of approximately 1,640,130 square feet of warehouse uses (with both buildings totaling more than 100,000 square feet each of indoor warehouse floor space), the Proposed Project's warehouse owners and future 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. Such information should be incorporated into the Final CEQA document. 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. Program webpage.

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 Evelyn Aguilar, Air Quality Specialist, at eaguilar@aqmd.gov, should you have any questions or wish to discuss the comments.

Sincerely,

Sam Wang

Sam Wang Program Supervisor, CEQA-IGR Planning, Rule Development & Implementation

SW:EA <u>RVC220916-01</u> Control Number

¹¹ Draft EIR. Project Description. Page 2-6 through 2-7.

¹² 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.

¹³ South Coast AQMD WAIRE Program. Accessed at: http://www.aqmd.gov/waire.