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SENT VIA E-MAIL:

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<u>Draft Program Environmental Impact Report (Draft PEIR) for the Proposed</u> <u>Airport Gateway Specific Plan (Proposed Project)</u> (SCH No. 2022060349)

South Coast Air Quality Management District (South Coast AQMD) staff appreciates the opportunity to comment on the above-mentioned document. The Inland Valley Development Agency is the Lead Agency under the California Environmental Quality Act (CEQA) for the Proposed Project. The following comments recommended revisions to the inconsistent project description, contaminated soil information, California Emissions Estimator Model analysis, air quality mitigation measures, health risk assessment, cumulative impacts analysis, a project with unclear location and impacts, alternative discussion, additional air quality and greenhouse gas mitigation measures, health risk reduction strategies, and information on South Coast AQMD rules, permits, and responsible agency that the Lead Agency should include in the Final PEIR.

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

Based on the Draft PEIR, the Lead Agency proposes developing the Proposed Project to align local and regional development objectives and implementation efforts for future land use, mobility, and economic development effort in the multi-jurisdiction plan area.¹ The total acreage within the Proposed Project planning area is 678.13 acres, with approximately 243 acres of vacant land, about 35.8% of the total acreage.² Under the Proposed Project, the existing land uses would be replaced, and the 243 acres of vacant land would be converted to 9.27 million square feet of "Mixed-Use Business Park" consisting of industrial warehouse, high-cube logistics warehouse, tech business park, and a small amount of commercial/retail/hotel.³ Specifically, the Proposed Project consists of developing 7,802,542 square feet of possible warehouse use.⁴ The Proposed Project is located 60 miles east of Los Angeles, south of the foothills of the San Bernadino Mountains, and between three major freeways (State Route (SR)-210 to the north and east, the Interstate (I)-215 to the west, and the I-10 to the south). ⁵ Based on the aerial photographs, South Coast AQMD staff finds that sensitive receptors (e.g., residences) are within 100 feet north and west of the Proposed Project site, and San Bernadino International Airport is adjacent south of the Proposed Project site. The

¹ Draft PEIR. Page 3-2.

² *Ibid*. Page 3-4.

³ *Ibid.* Appendix 1 – Air Quality Analysis. Page 10.

⁴ *Ibid*. Page 4-81.

⁵ *Ibid*. Page 3-1.

Proposed Project is envisioned to be developed approximately over a period of 20 years in an incremental manner,⁶ representing a long-range plan for 2022-2040.⁷

South Coast AQMD Staff's Comments on the Draft PEIR

Inconsistent Project Description

Under section 3.5 – Phasing and Construction,⁸ the Draft PEIR mentions that the document will evaluate prospective future projects such as "the construction of 500,000 square foot light industrial warehouse..." However, the statement is inconsistent with the Proposed Project's description and the California Emissions Estimator Model (CalEEMod) analysis in Appendix 1-Air Quality Analysis. Therefore, South Coast AQMD staff recommends that the Lead Agency revise section 3.5 to be consistent with the project description and the CalEEMod analysis to avoid any discrepancies and include it in the Final PEIR. If the revision is not included in the Final PEIR, the Lead Agency should provide reasons for not having them supported by substantial evidence in the record.

Contaminated Soil Information

Under section 4.10 – Hazard and Hazardous Materials, Draft PEIR mentions that the Proposed Project area is too large for site-specific Phase I Environmental Site Evaluation (ESA); therefore, the Lead Agency proposes Mitigation Measures (MM) HAZ-1 to HAZ-5 with a conclusion of less than significant impacts. Although HAZ-3 discusses the contamination exposed during grading activities, South Coast AQMD staff recommends that the Lead Agency should use good faith to estimate the quantities of contaminated soils, the number of hauling truck trips associated with the removal of contaminated soil, identify the hazardous landfill site location and the hauling trip length, reasonably and conservatively quantify those emissions to the construction emissions, and include in the Final PEIR. If the contaminated soil and the associated activities are not included in the Final PEIR, the Lead Agency should provide reasons for not having them supported by substantial evidence in the record.

California Emissions Estimator Model (CalEEMod) Analysis

Unmitigated Construction Emissions Calculations

Based on the Draft PEIR, the Lead Agency utilizes CalEEMod version 2016.3.2 and EMFAC 2017 to analyze the maximum daily emissions from the Proposed Project's construction activities and includes the unmitigated construction emissions in Table 4.4-11¹¹ of the Draft PEIR. However, South Coast AQMD staff finds that the unmitigated PM₁₀ and PM_{2.5} emissions in Table 4.4-11 do not match the emissions calculated in Appendix 1- Air Quality Analysis CalEEMod output files.¹² A comparison between Draft PEIR and CalEEMod output files is shown in Table A below.

⁷ *Ibid*. Page 3-1.

⁶ *Ibid*. Page 3-20.

⁸ *Ibid*. Page 3-20.

⁹ Ibid.

¹⁰ *Ibid*. Page 4-306.

¹¹ *Ibid*. Page 4-82.

¹² *Ibid.* Appendix 1 – Air Quality Analysis. CalEEMod Output files. Page 58 of 140 (Page 189 of PDF).

Table A – Unmitigated Emissions Comparisons between Draft PEIR and CalEEMod **Output Files Results**

	PM ₁₀ (lbs/day)	PM _{2.5} (lbs/day)
Draft PEIR – Table 4-4.11	281.26	54.73
CalEEMod Output files	581.75	100.21

In the Draft PEIR, the conclusion for the unmitigated construction exceeds South Coast AQMD's significant thresholds for NO_X and PM₁₀. ¹³ According to Table A above, the conclusion for unmitigated construction emissions is inaccurate as it should be significant for PM_{2.5} emissions, in addition to NOx and PM10. Therefore, South Coast AQMD staff recommends that the Lead Agency revise the Draft PEIR to be consistent with the values present in CalEEMod analysis to avoid any discrepancies, correct the results, and include the revision in the Final PEIR. If the revision is not included in the Final PEIR, the Lead Agency should provide reasons for not having them supported by substantial evidence in the record.

Overlapping Construction and Operational Activities

Even though the Proposed Project consists of approximately a total of 9.27 million square feet of industrial uses over the course of 20-year construction, the Draft PEIR does not analyze the scenario of overlapping between the construction and operational activities. Therefore, South Coast AQMD staff recommends that the Lead Agency revise the air quality analysis section to consider the overlapping construction and operation. This should include a "worst-case" scenario of a 9.27 million square foot warehouse being built at the same time as any existing projects that are already being operated in the area. The estimated overlapped emissions should then be compared to South Coast AQMD's regional air quality CEQA operational thresholds to determine their level of significance, which should be included in the Final PEIR. If the overlapped emissions analysis is not included in the Final PEIR, the Lead Agency should provide reasons for not having them supported by substantial evidence in the record.

Possibility of Underestimated Emissions from Hauling Trucks During Grading, Site Preparation, and Building Construction Activities

In the Draft PEIR, the Lead Agency mentions that the grading activities assume a balanced site due to no information on grading quantities. 14 As a result, no hauling truck trips are assumed in the grading phase in the CalEEMod estimates in Appendix 1 – Air Quality Analysis. However, South Coast AQMD recommends that the Lead Agency estimate the quantities of soil that will be imported and/or exported from the Proposed Project site, determine the number of hauling truck trips associated with the import and/or export activities during grading, site preparation, and building construction phases, and include in the Final PEIR. If the estimated emissions analysis from hauling trucks in these phases is not included in the Final PEIR, the Lead Agency should provide reasons for not having them supported by substantial evidence in the record.

¹³ *Ibid*.

¹⁴ *Ibid*. Page 4-75.

CalEEMod Land Use Type

Based on the operational CalEEMod output files, the Lead Agency has identified "user-defined industrial" in addition to the "unrefrigerated warehouse-no rail" land use. However, the size metric, lot acreage, and the floor square area use are all set to zero under the "user-defined industrial" land. In addition, the heavy-duty truck fleet mix and trip information are in the "user-define industrial" but not in the "unrefrigerated warehouse-no rail" land use 16. This possibly leads to underestimating the heavy-duty truck emissions for warehouse activities. Therefore, South Coast AQMD staff recommends that the Lead Agency explain why the land use is separated in the CalEEMod analysis, why the fleet mix is not under the "unrefrigerated warehouse-no rail" land use, and include the explanation in the Final PEIR. If the explanation is not included in the Final PEIR, the Lead Agency should provide reasons for not having them supported by substantial evidence in the record.

CalEEMod and EMFAC Versions

According to the Draft PEIR and Appendix 1 - Air Quality Analysis, the Proposed Project's emissions calculations are analyzed using the CalEEMod version 2016.3.2. At the time when the Draft PEIR was prepared, December 2022, ¹⁷ the Lead Agency should consider using the CalEEMod version 2020.4.0, released in May 2021, ¹⁸ instead of version 2016.3.2. In addition, Sacramento Metropolitan Air Quality Management District recommends using CalEEMod version 2020.4.0 for projects being released for public review after July 1, 2021. ¹⁹ Furthermore, the Lead Agency utilizes EMFAC 2017 ²⁰ emission factors with CalEEMod version 2016.3.2 as the methodology for the Proposed Project's analysis. According to the CARB, the EMFAC 2021 ²¹ was officially released in January 2021. Since the Proposed Project Draft PEIR was prepared in December 2022, South Coast AQMD staff recommends that the Lead Agency revise the emissions calculations utilizing the CalEEMod version 2020.4.0 and EMFAC 2021 emissions factors and include them in the Final PEIR. If the revision is not included in the Final PEIR, the Lead Agency should provide reasons for not having them supported by substantial evidence in the record.

On the other hand, the Lead Agency could go a step further because California Air Pollution Control Officers Association (CAPCOA) released a new version of CalEEMod, version 2022.1.1.5, ²² and CARB has updated the EMFAC 2021 v1.0.2²³ that the Lead Agency might consider using for the revision of CalEEMod analysis in the Final PEIR. If the Lead Agency decides to use the most current updated versions of CalEEMod and EMFAC 2021, South Coast AQMD staff encourage the Lead Agency to visit CAPCOA and CARB's website for more information.

¹⁵ *Ibid.* Appendix 1 – Air Quality Analysis. Page 818 and 1062 of PDF.

¹⁶ *Ibid.* Appendix 1 – Air Quality Analysis. Page 874 and 1118 of PDF.

¹⁷ *Ibid*. Cover Page.

¹⁸ South Coast AQMD CalEEMod. Access at: http://www.aqmd.gov/caleemod/user's-guide

¹⁹ Sacramento Metropolitan Air Quality Management District's recommendation on CalEEMod version 2020.4.0. Tools & Additional Guidance. Access at: https://www.airquality.org/businesses/ceqa-land-use-planning/ceqa-guidance-tools
²⁰ Ibid. Page 4-84.

²¹ CARB EMFAC 2021. Access at: https://arb.ca.gov/emfac

²² California Air Pollution Control Officers Association (CAPCOA). CalEEMod Version 2022.1.1.5. Access at: https://www.caleemod.com/release-notes

²³ CARB EMFAC 2021 v1.0.2. Access at: https://arb.ca.gov/emfac

Recommended Revision to Air Quality Mitigation Measures

Air Quality Mitigation Measures for Project Construction

The Draft PEIR states that no specific construction projects were envisioned at the time of the analysis; ²⁴ therefore, the Lead Agency analyzes a "worst-case" scenario ²⁵ for construction emissions. The analysis concludes that the Proposed Project's construction emissions would be significant and unavoidable for NO_x and PM₁₀. To mitigate these emissions, the Lead Agency proposes mitigation measures (MMs), with MM AQ-1 and MM AQ-12 through MM AQ-15, drawing the attention of South Coast AQMD staff.

MM AQ-1 states that the off-road diesel construction equipment will be in compliance with Environmental Protection Agency (EPA)/California Air Resources Board (CARB) Tier 4 emissions standards or equivalent. However, given the long-range plan of the Proposed Project from 2022-2040, Tier 4 technology may not be the cleanest technology when construction occurs later. In addition, according to the CARB Strategies for Reducing Emissions from Off-Road Construction Equipment, the implementation of off-road Tier 5 starting in 2027 or 2028 and the Governor's Executive Order in September 2020 requires CARB to develop and propose a full transition to Zero Emissions (ZE) by 2035, wherever feasible. Therefore, South Coast AQMD staff recommends that the Lead Agency revise the MM AQ-1 to commit to using the cleanest technology for construction during the construction period, if available and feasible, and includes the revision in the Final PEIR. If the revisions are not included in the Final PEIR, the Lead Agency should provide reasons for not having them supported by substantial evidence in the record.

MM AQ-12 states that "... at a minimum, future development shall be required to use 2010 and newer haul trucks (e.g., including material delivery trucks and soil import/export, and trucks required for operation)" South Coast AQMD staff recommends that the Lead Agency revise this specific part of the MM AQ-12 to require trucks entering or on the Proposed Project site to use the model year 2014 or newer haul trucks instead of 2010 and includes the revision in the Final PEIR. Additionally, all heavy-duty haul trucks should also meet CARB's lowest optional low oxides of nitrogen (NOx) standard. If the revisions are not included in the Final PEIR, the Lead Agency should provide reasons for not having them supported by substantial evidence in the record.

MM AQ-13 limits modeling of the regional and the localized emissions (NOx, CO, PM10, and PM 2.5) associated with the construction activities for any proposed developments one acre or larger where the projects are subject to CEQA discretionary actions. South Coast AQMD staff is concerned that these limitations for requiring modeling will allow for unmitigated emissions that have not been fully analyzed. For example, if the project application is ministerial in nature, and no discretionary approval is necessary, then even though the project may have significant impacts, it will not be further analyzed.

²⁴ *Ibid*. Page 3-20.

²⁵ *Ibid*. Page 4-76.

²⁶ *Ibid.* Page 4-92.

²⁷ Presentation can be found at: http://www.aqmd.gov/docs/default-source/clean-air-plans/air-quality-management-plans/2022-air-quality-management-plans/combined-construction-carb-amp-aqmp-presentations-01-27-21.pdf

²⁸ *Ibid.* Page 4-93.

²⁹ CARB's optional low-NOx emission standard can be found at: https://ww2.arb.ca.gov/our-work/programs/optional-reduced-nox-standards

Air Quality Mitigation Measures for Project Operation

Similar to the above concern, MM AQ-14 and MM AQ-15 both have the qualifying language that this mitigation measure will only apply to discretionary decisions. South Coast AQMD staff assumes discretionary decisions will be necessary for all future applications to develop within the Proposed Project; however, there is uncertainty here, and staff would like a confirmation that all future development applications will undergo discretionary decisions, thus triggering further CEQA review.

Based on the Draft PEIR, the Lead Agency estimates the net new operational emissions by subtracting the existing operational emissions from the Proposed Project emissions during operation.³⁰ With the subtraction from the existing baseline conditions, the Proposed Project emissions are still determined as significant and unavoidable for NO_x and PM₁₀. ³¹ Since the Proposed Project proposes the development of 9.27 million square feet of industrial uses, it is likely to involve using a large number of heavy-duty diesel trucks to support the operational activities rather than just regular vehicles. Due to the significant and unavoidable impacts and the Lead Agency's proposed mitigation measures, South Coast AQMD staff has concerns regarding MM AQ-15. In the Draft PEIR, MM AQ-15 states, "projects that generate more than 100 diesel truck trips per day or projects that generate other toxic air contaminants (TACs) within a 100-foot buffer of the nearest sensitive receptor shall submit a health risk assessment (HRA) to the City prior to future discretionary project approval... If the HRA shows that the incremental cancer risk of an individual Project exceeds 10 in 1 million or the appropriate noncancer hazard index exceeds 1.0, the individual Project will be required to identify and demonstrate that mitigation measures are capable of reducing potential cancer and non-cancer risks to an acceptable level (i.e., below ten in one million or a hazard index of 1.0), including appropriate enforcement mechanisms...".32 However, there is a lack of evidence supporting the Lead Agency's decision to not require HRAs for projects that generate less than 100 diesel truck trips per day or other TACs within a 100-foot buffer of the nearest sensitive receptor. For example, if an industrial warehouse development is located in close proximity to sensitive receptors (e.g., residences, schools), the diesel particulate matter from even a small number of diesel trucks can pose significant health risks to those receptors. Therefore, in such cases, an HRA should not be neglected due to the MM AO-15 requirement, and a mobile source HRA should be performed to determine and disclose the cancer risk significant impacts level to the sensitive receptors. Similarly, TACs may be generated beyond a 100-foot buffer that results in significant cancer risk. For that reason, South Coast AQMD staff recommends that the Lead Agency review and revise the MM AQ-15 such that the statement should read "projects that generate toxic air contaminants shall submit a health risk assessment to the City prior to...." The Lead Agency should commit to requiring future project development applicants to prepare HRAs to demonstrate the health risk impacts of individual projects to the sensitive receptors as well as off-site workers in the Final PEIR, as there is a potential of 9.27 million square feet of industrial uses that likely to be built within the Proposed Project site, determine the significant levels and provide mitigation measures if the results are significant. In addition, the Lead Agency should consider requiring future development applicants to include any stationary sources and truck routes associated with the operational activities in the HRAs in the

³⁰ *Ibid*. Page 4-92.

³¹ *Ibid*.

³² *Ibid*. Page 4-94.

Final PEIR. If the revision is not included in the Final PEIR, the Lead Agency should provide reasons for not having them supported by substantial evidence in the record.

Health Risk Assessment (HRA)

Due to the close proximity of multiple sensitive receptors, including residential neighborhoods located to the north and west of the Proposed project site and schools (e.g., Cypress Elementary School, Indian Springs High School) that are within 1,000 feet from the Proposed Project site, as well as the truck routes on the roadway, it is essential for the construction and operational HRAs to be performed and disclosed in the Final PEIR. The details of each comment related to HRAs are addressed below.

Construction HRA

Due to the large-scale development and prolonged construction of industrial uses described in the Proposed Project, it is recommended that the Lead Agency conduct a construction HRA assuming the "worst-case" scenario of a 9.27 million square feet industrial warehouse in the planning area. If a construction HRA is not feasible at the time due to the limited information, such as an undefined construction schedule, it is recommended that, at minimum, the Lead Agency provide a qualitative analysis that inventories and evaluates all the stationary sources (including the permitted, proposed, and planned for future units) and mobile sources with the map showing the locations of the sources, the routes to and from the site and truck loading/unloading docks (if any), and their proximity to the sensitive receptors under the currently existing and foreseeable probable future conditions. The analysis should also show the justifications if the Proposed Project has the potential to pose substantial health risk impacts or not from the existing condition. If a qualitative analysis is not included in the Final EIR, the Lead Agency should provide reasons for not having it supported by substantial evidence in the record.

If the results from the qualitative analysis show the Proposed Project may have potentially significant health risk impacts, South Coast AQMD staff recommends that quantitative analysis, including conducting a full HRA including all nearby sources, should be conducted and compare the Proposed Project's cancer risks to South Coast AQMD CEQA significance thresholds³³ to determine the level of significance for the Proposed Project's health risk impact in the Final PEIR.³⁴ The Lead Agency should also disclose the potential health risks for chronic and acute health impacts on residents living and/or workers working outside the Proposed Project's boundary in the Final PEIR. If an HRA is not included in the Final EIR, the Lead Agency should provide reasons for not having it supported by substantial evidence in the record.

Operational HRA

Implementing the Proposed Project would result in sensitive land uses (e.g., residences) within 1,000 feet of pollution sources (e.g., warehouses). Since the Proposed Project proposes to develop approximately 9.27 million square feet of industrial mixed uses consisting of industrial warehouse, high-cube logistics warehouse, tech business park, and a small amount of commercial/retail/hotel

³³ South Coast AQMD Air Quality Significance Thresholds can be found at: http://www.aqmd.gov/docs/default-source/ceqa/handbook/scaqmd-air-quality-significance-thresholds.pdf?sfvrsn=2.

³⁴ 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.

uses,³⁵ South Coast AQMD staff recommends that the Lead Agency conduct the HRA for the operation to evaluate the impacts from at least the mobile sources and provide an analysis discussion in the Final EIR to prepare guidance for subsequent project-level environmental analyses. Although the Lead Agency proposes MM AQ-15,³⁶ South Coast AQMD staff has concerns that the MM AQ-15 needs to be more stringent and feasible for numerous industrial developments of approximately 9.27 million square feet of industrial use. Furthermore, South Coast AQMD staff disagrees with the conclusion of "less than significant with mitigation incorporated" due to the lack of HRA studies and supporting evidence.

The Lead Agency should consider conducting an HRA for the probable "worst-case" scenario, such as assuming a 9.27 million square feet area will be dedicated to an industrial warehouse development, estimating a portion of the warehouse for possible cold storage, estimating the number of truck trips per day and required transportation refrigeration units (TRUs), designing specific truck routes used to transport from and to the warehouse, including any stationary sources (e.g., backup generators), etc. and determine the health risk impacts to the sensitive receptors and off-site workers. This discussion will demonstrate that the Lead Agency has adequately considered the potential health risk impacts of implementing the Proposed Project and that a subsequent, project-level HRA analysis will be completed to disclose health risk impacts at a later stage in the Final PEIR. In the event that the HRA results in significant impacts, the Lead Agency should make a good faith effort to discuss mitigation measures to reduce or minimize the health risk impacts and include those mitigation measures in the Final PEIR. If the probable "worst-case" scenario HRA is not performed and disclosed in the Final PEIR, the Lead Agency should provide reasons for not having them supported by substantial evidence in the record.

Cumulative Impacts Analysis

Under Chapter 6³⁷ of the Draft PEIR, the Lead Agency discusses the cumulative impacts analysis of the Proposed Project; provides a map of pre-app, submitted, entitled, and under construction projects in Figure 6.2-1;³⁸ and includes a project list in Figure 6.2-3.³⁹ Pursuant to CEQA Statutes and Guidelines section 15130(b)(1)(A), the Lead Agency should discuss the significant cumulative impacts either by a "list of past, present, and probable future projects related or cumulative impacts, including, if necessary, those projects outside the control of the agency." ⁴⁰ However, Figure 6.2-3 lists some approved or under-review projects but doesn't have recently built projects. It is also unclear if projects from Figure 6.2-1 are included. In addition, the cumulative impacts analysis should include a qualitative analysis with a list of all nearby related projects that contributed and will contribute to the cumulative impacts within the Proposed Project planning area. South Coast AQMD staff checked and found that several projects within the Proposed Project planning area or nearby area (e.g., within 2-3 miles from the Proposed Project planning area) were not included in the cumulative impacts analysis and disclosed in the Draft PEIR. South Coast AQMD staff

³⁵ *Ibid*. Appendix 1 – Air Quality Analysis. Page 10.

³⁶ *Ibid*. Page 4-94.

³⁷ *Ibid*. Page 6-6.

³⁸ *Ibid.* Page 859 of PDF.

³⁹ *Ibid.* Page 861 of PDF.

⁴⁰ 2022 CEQA Statues and Guidelines section 15130(b)(1)(A). Access at: https://www.califaep.org/docs/2022 CEQA Statue and Guidelines.pdf

believes the Lead Agency should review and add these projects to the discussion of the cumulative impacts.

The South Coast AQMD staff recommends that the Lead Agency conduct research and review indepth other projects that contribute to the cumulative impact on the area. The staff has identified and listed some of these projects in Table B below.

Table B Other Projects Within or Nearby the Proposed Project Planning Area

Location	Project Title	CEQA	Address		
		Document Type			
		or Project Status			
Within the	3 rd Street and Central Avenue	MND	Northwest Corner of 3 rd		
Proposed	Warehouse Project ⁴¹		Street and Central Avenue		
Project	Conditional Use Permit No.	SP	South side of 6 th Street,		
Planning	CUP 22-011 Design Review		West of Del Rosa Drive,		
Area	Application No. DRA 22-015 Project ⁴²		City of High Land		
	Design Review Application DRA 22-022 Project ⁴³	SP	Northwest Corner of Palm Avenue and Meines Street, City of High Land		
	Patriot Partners Warehouse at the SEC of Victoria Avenue and 5 th Street Project ⁴⁴	SP	Street, City of High Land West of Victoria Avenue spanning 3 rd Street to 5 th Street, City of High Land		
			and San Bernadino		
Nearby the Proposed Project	Pepper 210 Commerce Center Project ⁴⁵	NOP	20020 Highland Avenue, in unincorporated San Bernadino County		
Planning Area	9 th Street and Tippecanoe Avenue Warehouse Project ⁴⁶	MND	Southwest of the 9 th Street and Tippecanoe Avenue Intersection, City of San Bernadino		
	Amazon air regional air hub (SBIA warehouse) - over 700,000-square-foot logistics center	Built and started operating in 2021	2535 East 3rd Street, Highland, CA 92346		
Possibly	Sterling Natural Resource	Under	25376 W 5th St, San		
within the	Center (SNRC) and its	construction, air	Bernardino, CA 92410		
Proposed	proposed biogas engines,	permit			
Project	flare, and anaerobic digestion	applications are			
Planning Area	system	under review			

 $^{^{\}rm 41}$ Information on the $3^{\rm rd}$ Street and Central Avenue Warehouse Project can be found at: https://ceqanet.opr.ca.gov/Project/2022070212

⁴² Information on the Conditional Use Permit No. CUP 22-011 Design Review Application No. DRA 22-015 Project can be found at: https://www.cityofhighland.org/209/Public-Notices

⁴³ Information on Design Review Application DRA 22-022 Project can be found at: https://www.cityofhighland.org/209/Public-

Notices

44 Information on Patriot Partners Warehouse at the SEC of Victoria Avenue and 5th Street Project can be found at: https://www.cityofhighland.org/209/Public-Notices

⁴⁵ Information on Pepper 210 Commerce Center Project Can be found at:

http://www.sbcounty.gov/uploads/LUS/Valley/Pepper210CommerceCenter/REVISED%20NOP%20Pepper210CommerceCenter

<u>.pdf</u>

46 Information on 9th Street and Tippecanoe Avenue Warehouse Project Information can be found at: https://www.sbcity.org/city_hall/community_economic_development/planning/environmental_documents

Per CEQA Guidelines section 15065(a)(3), South Coast AQMD staff is primarily concerned with the cumulative air quality impacts from increased air toxic concentrations in the area. Therefore, South Coast AQMD staff recommends that, at minimum, the Lead Agency perform a qualitative analysis to provide the potential cumulative impacts from air toxics in consideration and listing of all surrounding past, present, and probable future projects. If the revision is not included in the Final PEIR, the Lead Agency should provide reasons for not having them supported by substantial evidence in the record.

As an option, the Lead Agency may also perform a more detailed and robust quantitative analysis of cumulative air toxic and potential health risk implications to determine the level of significance, if desired, to be included in the Final PEIR.

A Project with Unclear Location and Impacts

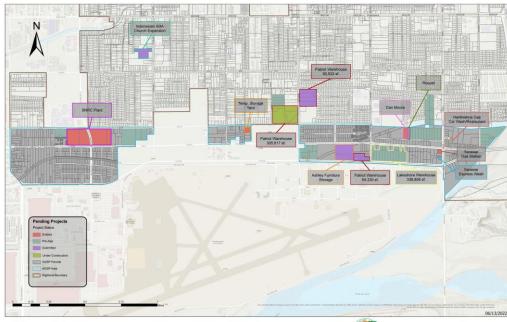
Based on the Draft PEIR, the Lead Agency provides a map of pre-app, submitted, entitled, and under-construction projects in Figure 6.2-1;⁴⁷ and reveals one entitled project that draws South Coast AQMD staff's attention, which is the Sterling Natural Resource Center (SNRC) Plant listed in Table B. Based on Figure 6.2-1 in the Draft PEIR, this SNRC Plant is located within the Proposed Project planning area. However, under Appendix 8.4 – Draft AGSP,⁴⁸ the Prosed Project boundary does not include the SNRC Plant.⁴⁹ South Coast AQMD has captured Figures A and B below to show the inconsistency related to this SNRC Plant.

⁴⁷ *Ibid*. Page 859 of PDF.

⁴⁸ *Ibid.* Appendix 8.4 – Draft AGSP. Page 920 of PDF.

⁴⁹ *Ibid*. Appendix 8.4 – Draft AGSP. Page 13.

Figure A
Process Map of Proposed Project⁵⁰



Airport Gateway Specific Plan

City of Highland

Figure B
Local Vicinity Map of Proposed Project Planning Area⁵¹



 $^{^{50}\,}Ibid.$ Page 859 of PDF.

⁵¹ *Ibid*. Appendix 8.4 – Draft AGSP. Page 13.

Due to the inconsistency related to the location of the SNRC Plant, South Coast AQMD staff has recommendations for the two scenarios that can occur, which are discussed below.

Scenario 1 – SNRC Plant is within the Proposed Project Planning Area

In the event that the SNRC Plant is located within the Proposed Project planning area, the Lead Agency might have underestimated the construction and operational emissions, as the emission generated from the SNRC Plant (including the flare and biogas engines) should be added to the emissions analysis in this Draft PEIR. Therefore, South Coast AQMD staff recommends that the Lead Agency revise the emissions analysis, determine the significance level, propose feasible mitigation measures to reduce the emissions further, and disclose the results in the Final PEIR. In addition, the SNRC Plant should also be included in the construction and operational HRAs (refer to the South Coast AQMD staff's HRA comment), with the result disclosed in the Final PEIR. If the revision is not included in the Final PEIR, the Lead Agency should provide reasons for not having them supported by substantial evidence in the record.

Scenario 2 - SNRC Plant is not within the Proposed Project Planning Area

In the event that the SNRC Plant is located outside of the Proposed Project planning area, the Lead Agency should consider adding this SNRC Plant to the cumulative impacts analysis discussion (refer to South Coast AQMD staff's comment on cumulative impacts analysis) and include it in the Final PEIR. If the revision is not included in the Final PEIR, the Lead Agency should provide reasons for not having them supported by substantial evidence in the record.

Alternative Discussion

Chapter 5 - Alternatives⁵² of the Draft PEIR discusses the Proposed Project's two alternatives: the No Project Alternatives (NPA)⁵³ and No Project Alternative with Vacant Land Developed under the Existing Land Use Designation (NPA2).⁵⁴ Section 5.3 of the Draft PEIR mentions that the 290 acres of vacant land would be developed under the existing land use designation while existing uses, including residential and commercial uses, would remain in place.⁵⁵ The vacant land could be developed with 81.48 acres of commercial and 61.48 acres of industrial use.⁵⁶ The NPA2 would result in 137.2 acres of industrial uses when combined with existing uses.⁵⁷ The Lead Agency then analyzes the air quality impacts under the NPA2 and concludes that NPA2's air quality impacts would be significant and unavoidable.⁵⁸ However, South Coast AQMD staff has concerns and suggests the following recommendations regarding the NPA2.

CalEEMod Analysis

Although the NPA2's air quality impacts would result in significant and unavoidable emissions for CO and $PM_{2.5}$ would also likely exceed the South Coast AQMD CEQA regional air quality thresholds in addition to NO_X and PM_{10} due to the increase in population under this NPA2. Therefore, the Lead Agency should perform a detailed analysis, including CalEEMod calculations

⁵² *Ibid*. Page 5-1.

⁵³ *Ibid*. Page 5-7.

⁵⁴ *Ibid*. Page 5-15.

⁵⁵ *Ibid*.

⁵⁶ *Ibid*.

⁵⁷ *Ibid*.

⁵⁸ *Ibid*. Page 5-17.

for the NPA2, which should be equivalent to the Proposed Project's analysis, to demonstrate the impacts of the construction and operations under this alternative and disclose the level of significance in the Final PEIR.

HRAs

Similarly, the Lead Agency should conduct construction and operational HRAs, such as assuming the probable "worst-case" scenario, to determine the health risk impacts from this NPA2 to the sensitive receptors and off-site workers, provide mitigation measures to reduce and/or minimize the impacts if the results are significant, and disclose them in the Final PEIR.

Overall, South Coast AQMD staff recommends that the Lead Agency revise the alternative discussion, specifically to the NPA2, with the above recommendations and include them in the Final PEIR. If the revision is not included in the Final PEIR, the Lead Agency should provide reasons for not having them supported by substantial evidence in the record.

Additional Air Quality and Greenhouse Gas Mitigation Measures

According to the Draft PEIR, the Lead Agency utilizes CalEEMod version 2016.3.2 to analyze the maximum daily emissions from Proposed Project's construction and operational activities. The peak construction and peak operational emissions are shown in Tables 4.4-11, 4.4-12, and 4.4-14.⁵⁹ The Lead Agency concludes that regional construction and operational emissions would be significant. To reduce the emissions from construction and operational activities, the Lead Agency proposes mitigation measures from MM AQ-1 to MM AQ-44,⁶⁰ GHG-1 and GHG-2.⁶¹ The Lead Agency concludes that the impact of air quality and greenhouse gas are significant and unavoidable with mitigation incorporated.⁶² The South Coast AQMD staff suggests the Lead Agency review the references (listed below) and consider including the additional recommended mitigation measures in the Final PEIR:

- State of California Department of Justice: Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act⁶³
- South Coast AQMD 2022 South Coast Air Quality Management Plan, 64 specifically:
 - Appendix IV-A South Coast AQMD's Stationary and Mobile Source Control Measures
 - Appendix IV-B CARB's Strategy for South Coast
 - Appendix IV-C SCAG's Regional Transportation Strategy and Control Measures
- United States Environmental Protection Agency (U.S. EPA): Mobile Source Pollution Environmental Justice and Transportation⁶⁵

61 Ibid. Page 4-282 and 4-283.

⁵⁹ *Ibid*. Page 4-82, 4-83, and 4-85.

⁶⁰ *Ibid*. Page 4-92.

⁶² *Ibid*. Page 4-86 and 4-283.

⁶³ State of California – Department of Justice. Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act. Access at: https://oag.ca.gov/system/files/media/warehouse-best-practices.pdf

^{64 2022} South Coast AQMP. Access at: http://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan

⁶⁵ United States Environmental Protection Agency (U.S. EPA): Mobile Source Pollution - Environmental Justice and Transportation. Access at: https://www.epa.gov/mobile-source-pollution/environmental-justice-and-transportation

Health Risk Reduction Strategies

Notwithstanding the court rulings, South Coast AOMD staff recognizes that the Lead Agency that approves CEQA documents retain the authority to include any additional information they deem relevant to assessing and mitigating the environmental impacts of a project. Based on the Draft PEIR, Tables 3-2⁶⁶ and 3-3⁶⁷ reveal that 2,471 residents will be displaced to develop the proposed land use of the Proposed Project (refer to Table C below). South Coast AQMD staff is concerned about the potential public health impacts of siting sensitive populations within proximity of sources of air pollution (e.g., warehouse, freeway, airport). According to the South Coast AQMD Multiple Air Toxics Exposure Study V⁶⁸ (MATES V), a monitoring and evaluation study conducted in the South Coast Air Basin, the gridded cancer risk backgrounds of the Proposed Project range from 409 to 439 in one million. ⁶⁹ Therefore, it is recommended that, prior to approving future development projects, the Lead Agency consider the impacts of air pollutants on people who will live in and/or nearby a new project location and provide mitigation where necessary. Additionally, South Coast AQMD staff suggests that the Lead Agency review the CARB Air Quality Land Use and Handbook: A Community Health Perspective ⁷⁰ as it is a reference guide for evaluating and reducing air pollution impacts associated with new projects that go through the land use decisionmaking process with additional guidance on strategies to reduce air pollution exposure near highvolume roadways available in CARB's technical advisory.⁷¹

Table C
Existing Land Use Estimates Residential Break Down⁷²

Table 3-2
EXISTING LAND USE ESTIMATES¹
RESIDENTIAL BREAKDOWN

Residence Type	TOTAL		CITY OF HIGHLAND			CITY OF SAN BERNARDINO			
	Acres	Units ²	Population ³	Acres	Units ²	Population ³	Acres	Units ²	Population ³
Apartment/ Condo	14.44	247	803	12.79	241	784	1.65	6	19
Duplex/ Triplex/ Quadplex	7.72	92	299	7.72	92	299	0	0	0
Mobile Home	1.49	40	130	1.49	40	130	0	0	0
Single Family Detached	104.31	381	1,239	100.65	375	1,220	3.66	6	19
Total	127.96	760	2,471	122.65	748	2,433	5.31	12	38

Assembly Bill 617 (AB 617) designated San Bernadino & Muscoy (SBM) Community

In the event that the Lead Agency displaces the 2,471 residents to disadvantaged communities, for instance, Assembly Bill 617 (AB 617) designated San Bernadino & Muscoy (SBM) community that is on the west and northwest of the Proposed Project planning area, South Coast AQMD staff

15

⁶⁶ *Ibid*. Page 3-5.

⁶⁷ *Ibid.* Page 3-6.

⁶⁸ South Coast AQMD Multiple Air Toxics Exposure Study V (MATES V). Access at: http://www.aqmd.gov/home/air-quality-studies/health-studies/mates-v

⁶⁹ South Coast AQMD Multiple Air Toxics Exposure Study V (MATES V) Data Visualization. Access at: http://www.aqmd.gov/home/air-quality/air-quality-studies/health-studies/mates-v

⁷⁰ California Air Resources Board (CARB) Air Quality Land Use and Handbook: A Community Health Perspective. Access at: https://www.arb.ca.gov/ch/handbook.pdf

⁷¹ CARB's technical advisory can be found at: https://www.arb.ca.gov/ch/landuse.htm

⁷² *Ibid*. Page 5-3.

recommends that the Lead Agency review AB 617 SBM Community Emissions Reduction Plan (CERP),⁷³ particularly the actions included in Chapter 5,⁷⁴ and work with South Coast AQMD staff to explore whether additional mitigation measures can be identified and implemented.

As mentioned, the Proposed Project will be adjacent to the SBM community. The SBM community is disproportionately impacted by air pollution sources. It is concentrated along the main goods movement corridors and includes a railyard and many warehouses that support the logistics industry and global economy. An AB 617 designated community requires South Coast AQMD to work with a Community Steering Committee (CSC) to develop the CERP that identifies air quality priorities and actions to reduce air pollution in the community. The CSC's air quality priorities, specifically related to the Proposed Project, include warehouses, neighborhood truck traffic from heavy-duty diesel trucks, and railyards. The Proposed Project will create additional truck trips throughout the community to deliver goods from the warehouses. Thus, it is recommended that the Lead Agency review and incorporate any actions in the CERP to minimize the impact on community residences and sensitive populations. Some examples of CERP actions include the following:

- Buffer zones between warehouses and sensitive land uses
- Warehouse design (e.g., the orientation of loading docks away from sensitive land uses)
- Zero-emission infrastructure
- Installation of "No Truck Idling" signs
- Truck routes and parking away from sensitive land uses

Development of Air Quality Mitigation/Community Benefit Funds

Due to the close proximity to sensitive receptors (e.g., residences, schools), the Proposed Project should consider additional mitigation strategies to reduce the health risk exposure to sensitive receptors. Many strategies are available to reduce exposures, including, but not limited to, building filtration systems with Minimum Efficiency Reporting Values (MERV) 13 or better, or in some cases, MERV 15 or better is recommended, building design, orientation, location, vegetation barriers or landscaping screening. Enhanced filtration units are capable of reducing exposures. However, enhanced filtration systems have limitations. For example, in a study that South Coast AQMD conducted to investigate filters, 75 a cost burden is expected to be within the range of \$120 to \$240 per year to replace each filter panel. The initial start-up cost could substantially increase if a Heating, Ventilation, and Air Conditioning (HVAC) system need to be installed and if standalone filter units are required. Installation costs may vary, including costs for conducting site assessments and obtaining permits and approvals before filters can be installed. Other costs may include filter life monitoring, annual maintenance, and training for conducting maintenance and reporting. In addition, because the filters would not be effective unless the HVAC system is running, there may be increased energy consumption. It is typically assumed that the filters operate 100 percent of the time while residents are indoors, and the environmental analysis does not

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⁷³ South Coast AQMD AB 617 SBM community. Access at: http://www.aqmd.gov/nav/about/initiatives/environmental-justice/ab617-134/san-b

⁷⁴ South Coast AQMD, SBM CERP Chapter 5. Access at: http://www.aqmd.gov/docs/default-source/ab-617-ab-134/steering-committees/san-bernardino/cerp/carb-submittal/final-cerp.pdf

⁷⁵ South Coast AQMD, Pilot Study of High-Performance Air Filtration for Classrooms Applications, Draft Report: October 2009, http://www.aqmd.gov/docs/default-source/ceqa/handbook/aqmdpilotstudyfinalreport.pdf. Also, see the 2012 Peer Review Journal article by South Coast AQMD: https://onlinelibrary.wiley.com/doi/10.1111/ina.12013.

generally account for the times when the residents have their windows or doors open or are in common space areas of the project. Additionally, these filters have no ability to filter out any toxic gases. Furthermore, when used filters are replaced, the replacement has the potential to result in emissions from the transportation of used filters at disposal sites and generate solid waste. Therefore, any filtration unit's presumed effectiveness and feasibility should be carefully evaluated in more detail before assuming they will sufficiently alleviate exposure to DPM emissions.

In addition, South Coast AQMD offers a broad range of programs for businesses, the community, and local government that help to achieve cleaner air quality for all. Many of these programs offer financial incentives for implementing new clean air technologies. Some provide partnerships and new ways of addressing air quality issues throughout the South Coast Basin. Therefore, South Coast AQMD staff recommends that the Lead Agency review the incentive and programs on the South Coast AQMD Incentives & Programs landing page, http://www.aqmd.gov/home/programs.

South Coast AQMD Rules, Permits, and Responsible Agency

As mentioned in MM AQ-44, the Lead Agency requires backup generators due to the delayed services from Edison and limits the use of nine months total. ⁷⁶ Based on this MM AQ-44, implementing the Proposed Project would require using new stationary equipment that requires permits from South Coast AQMD. Stationary equipment not only requires permits to construct but also permits to operate. Therefore, the Lead Agency should include a discussion on stationary equipment, which would be utilized in the Proposed Project's construction and operation, requiring South Coast AQMD permits and identifying South Coast AQMD as a Responsible Agency for the Proposed Project in the Final PEIR. Any assumptions for the stationary sources in the Final PEIR will also be used as the basis for the permit conditions and limits for the Proposed Project. Please contact South Coast AQMD's Engineering and Permitting staff at (909) 396-3385 for questions on permits. For more general information on permits, please visit South Coast AQMD's webpage at: http://www.aqmd.gov/home/permits.

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, at least 10 days prior to the certification of the Final EIR.⁷⁷ 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 and 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.

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⁷⁶ *Ibid*. Page 4-97.

⁷⁷ 2022 CEQA Statues and Guidelines section 21092.5(a): "At least ten days prior to certifying an environmental impact report, the lead agency shall provide a written proposed response to a public agency on comments made by that agency which conform with the requirements of this division. Proposed responses shall conform with the legal standards established for responses to comments on draft environmental impact reports. Copies of responses or the environmental document in which they are contained, prepared in conformance with other requirements of this division and the guidelines adopted pursuant to Section 21083, may be used to meet the requirements imposed by this section." Access at: https://www.califaep.org/docs/2022_CEQA_Statue_and_Guidelines.pdf

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 Danica Nguyen, Air Quality Specialist, at dnguyen1@aqmd.gov should you have any questions.

Sincerely,

Sam Wang

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