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# Draft Environmental Impact Report (Draft EIR) for the Majestic Freeway Business Center Phase II Project (Proposed Project) (SCH No.: 2022080060)

South Coast Air Quality Management District (South Coast AQMD) staff appreciates the opportunity to comment on the above-mentioned document. The Riverside County is the California Environmental Quality Act (CEQA) Lead Agency for the Proposed Project. To provide context, South Coast AQMD staff has provided a brief summary of the project information and prepared the following comments organized by topic of concern.

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

Based on the Draft EIR, the Lead Agency proposes to develop five warehouse buildings up to 1,219,222 square feet of building area on four separate sites, covering a total of 70.37 acres.<sup>1</sup> The Draft EIR will assume an increase of five percent, allowing for up to 1,280,183 square feet to account for any minor changes.<sup>2</sup> The Proposed Project site is located in the western region of unincorporated Riverside County.<sup>3</sup> Details of these warehouse buildings are as follows<sup>4</sup>:

- Building 13 will be located on a 19.03-acre site comprising up to 322,997 square feet with 53 dock doors<sup>5</sup> associated with 72 daily truck trips.<sup>6</sup>
- Buildings 14A and 14B will be located on a 21.04-acre site comprising up to 210,655 square feet with 27 dock doors<sup>7</sup> (Building 14A) and up to 143,928 square feet with 21 dock doors<sup>8</sup> (Building 14B). Buildings 14 A and 14B have 214 daily truck trips<sup>9</sup> associated with the warehouses' operational activities.
- Building 17 will be located on a 16.06-acre site comprising up to 268,955 square feet with 39 dock doors<sup>10</sup> associated with 60 daily truck trips.<sup>11</sup>

<sup>&</sup>lt;sup>1</sup> Draft EIR. Page 3-1.

 $<sup>^{2}</sup>$  Ibid.

<sup>&</sup>lt;sup>3</sup> *Ibid.* Page 2-1.

<sup>&</sup>lt;sup>4</sup> *Ibid*. Page 3-1.

<sup>&</sup>lt;sup>5</sup> *Ibid*. Page 3-9.

<sup>&</sup>lt;sup>6</sup> *Ibid*. Page 3-40.

<sup>&</sup>lt;sup>7</sup> *Ibid.* Page 3-25.

<sup>&</sup>lt;sup>8</sup> Ibid.

 <sup>&</sup>lt;sup>9</sup> *Ibid*. Page 3-40.
 <sup>10</sup> *Ibid*. Page 3-18.

<sup>&</sup>lt;sup>11</sup> *Ibid*. Page 3-41.

• Building 18 will be located on a 14.24-acre site comprising up to 333,648 square feet with 53 dock doors<sup>12</sup> associated with 74 daily truck trips.<sup>13</sup>

Based on a review of aerial photographs, South Coast AQMD staff found that the nearest sensitive receptor (e.g., residential units) is located less than 100 feet north of the Building 18. Construction of the Proposed Project is anticipated to commence in May 2024 and last through December 2025.<sup>14</sup>

## South Coast AQMD Staff's Comments on the Draft EIR

## Potential Overlapping Construction and Operation Analysis

According to Table 3-2: Anticipated Construction Schedule<sup>15</sup> in the Project Description of the Draft EIR, construction of Buildings 13, 14A, and 14B will be completed by May 13, 2025, while construction of Buildings 17 and 18 will be completed by December 15, 2025. Since there is approximately a seven-month gap between the construction of these five buildings, South Coast AQMD staff has concerns that the Draft EIR does not analyze the overlap of constructing Buildings 17 and 18 with the operation of Buildings 13, 14A, and 14B. Thus, it is recommended that the Lead Agency revise the Draft EIR to identify all of potential overlap scenarios and analyze the overlapping emissions by comparing the total emissions during each overlapping phase to the *operational* South Coast AQMD Air Quality Significance Thresholds to determine the level of significance.

# Warehouse Cold Storage Land Use and the Associated Emissions from Transport Refrigeration Units (TRU)

The Draft EIR does not explain whether the Proposed Project intends to allocate a portion of the warehouse land use for cold storage. Having cold storage usage in warehouses would require more trucks and trailers equipped with transport refrigeration units (TRUs) which would result in greater amounts of mobile source emissions than for warehouses without cold storage. As a result, the Lead Agency is recommended to revise the Draft EIR to: 1) enhance the project description to further define the type of warehouse land uses that would be employed, including whether cold storage would be a part of the Proposed Project; 2) provide an estimate for the number of TRU trucks and trailers associated with operating the warehouses that include cold storage; and 3) update the mobile source emission estimates during the operation phase to account for the additional use of TRU trucks and trailers.

#### Suggested On-site Cargo Handling Equipment Requirement

To quantify the emissions from the on-site equipment, the Draft EIR states that "all on-site cargo handling equipment would be electrically powered."<sup>16</sup> The California Air Resources Board (CARB) reviewed a list of Hybrid and Zero-emissions Truck and Bus Voucher Incentive Projects

<sup>&</sup>lt;sup>12</sup> *Ibid*. Page 3-6

<sup>&</sup>lt;sup>13</sup> *Ibid*. Page 3-41.

<sup>&</sup>lt;sup>14</sup> *Ibid*. Page 3-35.

<sup>&</sup>lt;sup>15</sup> *Ibid*. Page 3-36.

<sup>&</sup>lt;sup>16</sup> *Ibid*. Page 4.8-26.

(HVIP)<sup>17</sup> containing commercially available electric trucks capable of meeting the cargo transportation needs of the Proposed Project. Hence, the Lead Agency is recommended to review the HVIP list and commit in the Final EIR to using more stringent all-electric on-site cargo handling equipment during the operation phase of the Proposed Project.

# User-Defined Land Use Subtype in the California Emissions Estimator Model (CalEEMod) Analysis

In the operational CalEEMod output files, a "user-defined industrial" land use subtype is included in addition to the "unrefrigerated warehouse-no rail" subtype.<sup>18</sup> According to the CalEEMod User Guide, the "user-defined" subtype option may be selected to characterize project land use subtypes that are not included in CalEEMod default subtypes provided that an explanation is provided to support conducting a customized analysis. When the "user-defined" subtype is selected, the model requires the User to manually input of all data on the Land Use screen.<sup>19</sup> However, it is noted that the size metric, lot acreage, and the floor square foot area use in the model run for the Proposed Project were all set to zero under the "user-defined industrial" land use subtype.

In addition, while the truck information (e.g., truck trips) was entered into the model under the "user-defined industrial" subtype, this information was not included under the "unrefrigerated warehouse-no rail" land use subtype. By omitting this information from the "user-defined industrial" land use subtype, the heavy-duty truck emissions related to warehouse activities during operation were likely underestimated. Therefore, it is recommended that the analysis in the Draft EIR be revised to: 1) explain why the land uses are separated in the CalEEMod analysis; and 2) include the heavy-duty truck information under the "unrefrigerated warehouse-no rail" land use subtype.

# Potential Underestimation of Emissions Due to Imprecise Assumptions for Truck Trip Lengths and Trip Rates in Emissions Analysis

The Draft EIR discusses the assumptions for quantifying the truck emissions for the Proposed Project and states that "...analysis incorporated South Coast AQMD recommended truck trip length of 15.2 miles for 2-axle trucks, 14.2 miles for 3-axle trucks, and 40 miles for 4+axle trucks....The trip length function for the high-cube short-term storage/transload use proposed for Building 13 has been calculated at 30.09 miles with an assumption of 100% primary trips; the trip length function for the warehouse use proposed for Buildings 14A/14B has been calculated at 30.48 miles with an assumption of 100% primary trips; the trip length function for the high-cube shortterm storage/transload use proposed for Building 17 has been calculated at 30.66 miles with an assumption of 100% primary trips; and the trip length function for the warehouse use proposed for Building 18 has been calculated at 30.35 miles with an assumption of 100% primary trips. "20

The referenced 15.3 miles, 14.2 miles, and 40 miles of truck trip lengths were originally derived from the Southern California Association of Government's (SCAG) estimation of average truck

<sup>&</sup>lt;sup>17</sup> Zero-Emission Truck and Bus Voucher Incentive Project. Accessible at: <u>https://californiahvip.org</u>

<sup>&</sup>lt;sup>18</sup> Ibid. Appendix B9: Air Quality Impact Analysis. CalEEMod Project Regional and Localized Operational Emissions Model. <sup>19</sup> California Emissions Estimator Model (CalEEMod) Version 2022.1 User Guide. Access at:

https://www.caleemod.com/documents/user-guide/CalEEMod User Guide v2022.1.pdf <sup>20</sup> *Ibid*. Page 4.8-36.

trip length in its 2016 Regional Transportation Plan.<sup>21</sup> However, it is important to note that the Proposed Project site is located 70 to 80 miles away from the Ports of Los Angeles and Long Beach which means that the air quality analysis underestimated the emissions from trucks traveling from the Ports to the Proposed Project site. Hence, the truck emissions appear to have been underestimated. South Coast AQMD staff recommends revised the analysis in the Draft EIR to rely on more conservative trip lengths between 40 and 80 miles, designating 40 miles for local trips and 80 miles for Port trips. Customizing these parameters and assumptions based on project-specific data will ensure a more accurate assessment of emissions, accounting for the unique circumstances and logistical realities of the Proposed Project.

# Incorrect Pollutant Averaging Time and Underestimation of Ground-Level Pollutants Near Buildings in Health Risk Assessment (HRA)

South Coast AQMD staff's review of the construction and operational HRA modeling files noted that the ANNUAL<sup>22</sup> keyword was selected for the pollutant averaging time in the control pathway in the AERMOD model. However, according to the South Coast AQMD Risk Assessment Procedures v8.1<sup>23</sup> and South Coast AQMD Modeling Guidance for AERMOD,<sup>24</sup> the detailed HRA utilizing AERMOD should be run using the averaging time PERIOD.

South Coast AQMD staff's review of the modeling files noted that industrial buildings were not included in the building downwash option in the AERMOD dispersion model during operation, which resulted in an underestimation of the ground-level pollutant concentrations near the buildings.

Thus, the Lead Agency is recommended to: 1) re-run the construction and operational HRAs to utilize PERIOD and 1-hour averaging time to determine the health risk impacts to the sensitive receptors and off-site workers and include the industrial buildings in the building downwash to analyze more accurate ground-level concentrations; and 2) include the results in the Final EIR.

# Additional Recommended Air Quality and Greenhouse Gases Mitigation Measures

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 air quality impacts, and in addition to Mitigation Measures MM 4.3-1, MM 4.3-2, and MM 4.8-1, South Coast AQMD staff recommends incorporating additional mitigation measures into the Final EIR, such as mitigation measures for operational air quality impacts from mobile sources, as follows:

• Require zero-emissions (ZE) or near-zero emission (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

<sup>&</sup>lt;sup>21</sup> South Coast Air Quality Management District, Preliminary Draft Staff Report: Proposed Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce.

<sup>&</sup>lt;sup>22</sup> Ibid. Appendix B10 – Mobile Source Health Risk Assessment. AERMOD Model Input/Output.

<sup>&</sup>lt;sup>23</sup> South Coast AQMD Risk Assessment Procedures v8.1. Access at: <u>http://www.aqmd.gov/docs/default-source/permitting/rule-1401-risk-assessment/riskassessproc-v8-1.pdf</u>

<sup>&</sup>lt;sup>24</sup> South Coast AQMD Modeling Guidance for AERMOD. Access at: <u>http://www.aqmd.gov/home/air-quality/meteorological-data/modeling-guidance</u>

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 Rule<sup>25</sup> and the Heavy-duty Low NOx Omnibus Regulation,<sup>26</sup> ZE and NZE trucks will become increasingly more available to use. The Lead Agency should require a phasein schedule to incentivize using 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 use of a 2010 model year<sup>27</sup> that meets 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. All heavy-duty haul trucks should meet CARB's lowest optional low-NOx standard starting in 2022.<sup>28</sup> 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 CEQA document. 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 electrical infrastructure, and electrical panels should be appropriately sized. Electrical hookups should be provided for truckers to plug in any onboard auxiliary equipment.

In addition, the following mitigation measures for operational air quality impacts from other area sources are also recommended to be included in the Final EIR:

- Maximize the 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.

To further reduce air quality and health risk impacts, the Lead Agency is recommended to include the following traffic design parameters:

<sup>&</sup>lt;sup>25</sup> CARB. June 25, 2020. Advanced Clean Trucks Rule. Accessed at: <u>https://ww2.arb.ca.gov/our-work/programs/advanced-cleantrucks</u>.

<sup>&</sup>lt;sup>26</sup> CARB has recently passed a variety of new regulations that require new, cleaner heavy-duty truck technology to be sold and used in the 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: <a href="https://www.arb.ca.gov/rulemaking/2020/hdomnibuslownox">https://www.arb.ca.gov/rulemaking/2020/hdomnibuslownox</a>.

<sup>&</sup>lt;sup>27</sup> 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.

<sup>&</sup>lt;sup>28</sup> CARB's optional low-NOx emission standard is available at: <u>https://ww2.arb.ca.gov/our-work/programs/optional-reduced-nox-standards</u>.

- Clearly mark truck routes with trailblazer signs so that trucks will not travel next to or near sensitive land uses (e.g., residences, schools, daycare 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 truck check-in point is inside the Proposed Project site to ensure no trucks are 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.

Lastly, the Lead Agency is also recommended to review the following references when considering the inclusion of additional mitigation measures in the Final EIR:

- State of California Department of Justice: Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act<sup>29</sup>
- South Coast AQMD 2022 South Coast Air Quality Management Plan,<sup>30</sup> 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 Transportation<sup>31</sup>

# South Coast AQMD Air Permits and Role as a Responsible Agency

If implementation of the Proposed Project would also require the use of stationary equipment, including but not limited to emergency generators, emergency fire pump(s), boilers, etc., air permits from South Coast AQMD will be required, and the role of South Coast AQMD would change from a Commenting Agency to a Responsible Agency under CEQA. In addition, if South Coast AQMD is identified as a Responsible Agency, per CEQA Guidelines Section 15086, the Lead Agency is required to consult with South Coast AQMD. In addition, CEQA Guidelines Section 15096 sets forth specific procedures for a Responsible Agency, including making a decision on the adequacy of the CEQA document for use as part of evaluating the applications for air permits. For these reasons, the Final EIR should include a discussion about any new stationary and portable equipment requiring South Coast AQMD air permits and identify South Coast AQMD as a Responsible Agency for the Proposed Project.

The Final EIR should also include calculations and analyses for construction and operation emissions for the new stationary and portable sources, as this information will also be relied upon

<sup>30</sup> 2022 South Coast AQMP. Access at: <u>http://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan</u>
<sup>31</sup> United States Environmental Protection Agency (U.S. EPA): Mobile Source Pollution - Environmental Justice and Transportation. Access at: <u>https://www.epa.gov/mobile-source-pollution/environmental-justice-and-transportation</u>

<sup>&</sup>lt;sup>29</sup> State of California – Department of Justice. Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act. Access at: <u>https://oag.ca.gov/system/files/media/warehouse-best-practices.pdf</u>

as the basis for the permit conditions and emission limits for the air permit(s). Please contact South Coast AQMD's Engineering and Permitting staff at (909) 396-3385 for questions regarding what types of equipment would require air permits. For more general information on permits, please visit South Coast AQMD's webpage at <u>http://www.aqmd.gov/home/permits</u>.

## **Conclusion**

The Lead Agency is recommended to revise the CEQA analysis to address the aforementioned comments and provide the necessary evidence to sufficiently support the conclusions reached. If the requested information and analysis are not included in the Final EIR, the Lead Agency should provide reasons for not doing so.

As set forth in California Public Resources Code Section 21092.5(a) and CEQA Guidelines Section 15088(a-b), the Lead Agency shall evaluate comments from public agencies on the environmental issues and prepare a written response at least 10 days prior to certifying the Final EIR. As such, please provide South Coast AQMD written responses to all comments contained herein at least 10 days prior to the certification of the Final EIR. In addition, as provided by CEQA Guidelines Section 15088(c), if the Lead Agency's position is at variance with recommendations provided in this comment letter, detailed reasons supported by substantial evidence in the record to explain why specific comments and suggestions are not accepted must be provided.

Thank you for the opportunity to provide comments. 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 <u>dnguyen1@aqmd.gov</u> should you have any questions.

Sincerely,

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