



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 1101 California Street Warehouse Project (Proposed Project)

South Coast Air Quality Management District (South Coast AQMD) staff appreciate the opportunity to review the above-mentioned document. The City of Redlands 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, which are organized by topic of concern.

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

Based on the information provided in the MND, the Proposed Project consists of demolishing the remaining structures and constructing a new 357,610 square feet (sq. ft) warehouse with 47 dock doors on the western side of the warehouse building.¹ The Proposed Project generates 194 daily truck trips associated with the operation activities.² The Proposed Project is located at 1101 California Street, Redlands.³ Based on the aerial photographs, South Coast AQMD staff found that the nearest sensitive receptor (e.g., residential) is within 750 feet south of the Proposed Project site. The construction is anticipated to occur between July 2024 through May 2025.⁴

South Coast AQMD Staff's Comments on the MND

Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program

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,⁵ and Rule 316 – Fees for Rule 2305.⁶ 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

¹ MND, Page 1 and 2.

² *Ibid.* Page 16.

³ *Ibid.* Page 1.

⁴ *Ibid.* Page 14.

⁵ 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>.

⁶ South Coast AQMD Rule 316 – Fees for Rule 2305. Access at: <http://www.aqmd.gov/docs/default-source/rule-book/reg-iii/r316.pdf>.

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 357,610-square-foot warehouse, 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 webpage⁷.

South Coast AQMD Rules, Permits, and Responsible Agency

If the implementation of the Proposed Project would require the use of new stationary and portable sources, including but not limited to emergency generators, fire water pumps, boilers, spray booths, 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 Sections 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 MND 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 MND 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 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 <http://www.aqmd.gov/home/permits>.

⁷ South Coast AQMD WAIRE Program. Accessed at: <http://www.aqmd.gov/waire>.

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 CEQA document, either the Final MND or other type of CEQA document, the Lead Agency should provide reasons for not doing so. Pursuant to California Public Resources Code Section 21092.5(b) and 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 and notify each public agency when any public hearings are scheduled. 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, detailed reasons supported by substantial evidence in the record to explain why specific comments and suggestions are not accepted must be provided. In addition, if the Lead Agency decides to adopt the Final MND, please provide South Coast AQMD with a notice of any scheduled public hearing(s).

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 dnguyen1@aqmd.gov should you have any questions.

Sincerely,

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Planning, Rule Development & Implementation

SW:DN

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