South Coast Air Quality Management District

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SENT VIA USPS AND E-MAIL:

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Mr. Richard Ayala, Senior Planner City of Ontario – Planning Department 303 East "B" Street Ontario, CA 91764

<u>Draft Environmental Impact Report (Draft EIR) for the Proposed</u> <u>Colony Commerce Center</u>

The South Coast Air Quality Management District (SCAQMD) staff appreciates the opportunity to comment on the above-mentioned document. The following comments are meant as guidance for the lead agency and should be incorporated into the Final EIR.

The lead agency proposes the construction and operation of approximately 2,951,146 square feet (sf) of warehouse/industrial uses on an approximately 123.17 acre site. The Draft EIR estimates approximately 2,818 diesel truck trips and 7,690 total vehicle trips. The project will be constructed in two phases with tenants that are unknown at this time. Phase PA-2 will consist of constructing two warehouse buildings totaling 1,571,645 sf and begin operation in 2017. PA-2 will generate an estimated 894 diesel truck trips and 3,595 total vehicle trips. Phase PA-1 will also consist of two warehouse buildings totaling 1,379,501 sf and begin operation in 2025. PA-1 is estimated to generate an additional 1,018 diesel truck trips and 4,095 total vehicle trips. The lead agency estimated that the project's operational air quality impacts in 2017 and 2025 would be significant and unavoidable.

The lead agency conducted a Health Risk Assessment (HRA) to determine the long-term air quality impacts from vehicles operating at the proposed project. The HRA found that maximum cancer risk from the project is 8 in one million, which is less than the SCAQMD significance threshold of 10 in one million. The SCAQMD staff has concerns about the assumptions used in the modeling, which likely underestimates the health risks. Additionally, SCAQMD staff has concerns about the effectiveness of the proposed mitigation measures. Since the lead agency has determined that project air quality impacts exceed the SCAQMD staff recommended daily significance thresholds operations, SCAQMD staff recommends additional mitigation measures in addition to the measures proposed by the lead agency in the Draft EIR. Details are included in the attachment.

Pursuant to Public Resources Code Section 21092.5, SCAQMD staff requests that the lead agency provide the SCAQMD with written responses to all comments contained herein prior to the adoption of the Final EIR. Further, staff is available to work with the lead agency to address these issues and any other questions that may arise. Please contact Jack Cheng, Air Quality Specialist, CEQA Section, at (909) 396-2448, if you have any questions regarding the enclosed comments.

Sincerely,

Jillian Wong

Jillian Wong Ph.D. Planning & Rules Manager Planning, Rule Development & Area Sources

JW:JC <u>SBC161115-08</u> Control Number

ATTACHMENT

Air Quality Analysis

- 1. The lead agency proposes the construction and operation of approximately 2,951,146 sf of warehouse/industrial uses. In the Traffic Study and CalEEMod models, the lead agency assumes 25% manufacturing and 75% High-cube warehousing. However, in the HRA and conceptual land use plan drawing, the lead agency assumes 100% warehousing. High-cube warehousing generates more diesel trucks that emit diesel particulate matter (DPM), which the California Air Resources Board (CARB) has determined to be carcinogenic. By assuming 25% manufacturing use, the lead agency underestimates the health risks. Since the future tenant is unknown, SCAQMD staff recommends that the lead agency conservatively assume 100% High-cube warehousing (since the proposed project is zoned for warehousing and industrial use).
- 2. In the Traffic Study, the Manufacturing land use does not include diesel truck trips. SCAQMD staff recommends disclosing the number of diesel truck trips and incorporating the additional truck trips into the Air Quality Analysis and HRA.
- 3. SCAQMD staff recommends the lead agency limit the land uses and daily number of trucks allowed at each facility to levels analyzed in the Final EIR. If higher daily truck volumes are anticipated to visit the site, the lead agency should commit to re-evaluating the project through CEQA prior to allowing this land use or higher activity level.
- 4. SCAQMD staff was not able to verify construction emissions or 2017 operational emissions. In Appendix A: CalEEMod Model Output the lead agency only provided operational emissions for the completed 2025 build out year. SCAQMD staff recommends providing additional documentation to substantiate its claims.
- 5. The lead agency uses the Fontana Study fleet mixture percentages to estimate truck fleet mixture. The Fontana Study estimates 3.46 percent of the total fleet as 2-axle trucks; 4.64 percent as 3-axle trucks; and 12.33 percent as 4-axle and larger trucks with truck categories totaling 20.43 percent of the total vehicle fleet. Passenger Vehicles would therefore comprise 79.57 percent of total vehicles during operations. However, in Appendix A CalEEMOD Model Output, the lead agency used 1 percent of the total fleet for 2-axle Trucks; 4.6 percent for 3-axle trucks; and 12.3 percent for 4-axle and larger trucks with truck categories totaling 18.5 percent of the total vehicle fleet. By rounding fleet mix percentages, the lead agency underestimates the trucks generated by the project and the truck emissions. SCAQMD staff recommends using the complete fleet mixture percentages to recalculate operational emissions.

Health Risk Assessment (HRA) Analyses

The SCAQMD staff is concerned that the HRA has underestimated the cancer risk from the proposed project. In the HRA, the lead agency used the AERMOD dispersion model to estimate DPM concentrations from the diesel vehicles generated by the proposed project and used the 2015 revised OEHHA guidelines to estimate the health risks to both residents and workers in the project vicinity. The 2015 revised OEHHA guidelines have been incorporated into SCAQMD health risk assessment procedures for Rules 1401, 1401.1, and 2122 and are used by SCAQMD for projects where SCAQMD is the CEQA lead agency. SCAQMD staff recommends the lead agency revise the HRA based on the following comments:

- 6. Air dispersion models and emission rate calculations were unavailable at the time of review. SCAQMD staff was not able to review emission rate calculations, air dispersion modeling, or the HRA. As indicated in our comment letter on the Notice of Preparation/Initial Study dated June 18, 2015, SCAQMD requested all air quality modeling, health risk assessment files, and original emission calculation spreadsheets. SCAQMD staff recommends providing additional documentation to substantiate its claims.
- 7. The lead agency modeled exhaust emissions consistent with the methodology established by the San Joaquin Valley Air Pollution Control District (Page 4.3-17). In our comment letter on the Notice of Preparation/Initial Study dated June 18, 2015, SCAQMD staff recommended the lead agency follow SCAQMD's mobile source guidance. Since the project is located within SCAQMD's jurisdiction, SCAQMD staff reiterates its recommendation to the lead agency to conduct their HRA in accordance with SCAQMD's guidance. Health Risk Assessment Guidance for Analyzing Cancer Risk from Mobile Source Diesel Idling Emissions for CEQA Air Quality Analysis: http://www.aqmd.gov/home/regulations/ceqa/air-quality-analysis-handbook/mobile-source-toxics-analysis.
- 8. On-site travel emissions are not accounted for in the HRA. By not including on-site travel emissions, the lead agency likely underestimated health risks. SCAQMD staff recommends that the lead agency revise the HRA using a series of volume sources to account for the on-site travel emissions.
- 9. On-site idling point sources should span the entire docking area. SCAQMD staff recommends that the lead agency revise the HRA using a line volume that spans the entire docking area and include 15 minutes of idling to ensure that impacts are properly analyzed.
- 10. All truck routes terminate in residential neighborhoods. Truck routes should be modeled from the project site to where the trucks enter the freeway. SCAQMD staff recommends that the lead agency revise the model using appropriate source placement as well additional grid receptors extending to the freeway.

- 11. In the HRA, the lead agency averaged the DPM emissions from 2017- 2024 for the 30-years of exposure and used that emission rate to estimate health risks. This is not an appropriate methodology to estimate emissions using the 2015 revised OEHHA guidelines. The 2015 revised OEHHA guidelines acknowledge that children are more susceptible to the exposure to air toxics and have revised the way cancer risks are estimated to take this into account. Since the emissions from the project generated trucks get cleaner with time due to existing regulations, it would not be appropriate to average out the emissions over the 30-year exposure duration since this would underestimate the health risks to children who would be exposed to higher DPM concentrations during the early years of project operation. Therefore, SCAQMD staff recommends that the DPM emissions for each year of operation be applied to each of the corresponding age bins (i.e. emissions from Year 1 of project operation should be used to estimate cancer risks to the third trimester to 0 year age bin; Year 1 and 2 of project operation should be used to estimate the cancer risks to the 0 to 2 years age bins; and so on).
- 12. SCAQMD Rule 403(e) Large Operations_- Since the Project is considered a large operation (50 acres or more of disturbed surface area; or daily earth-moving operations of 3,850 cubic yards or more on three days in any year) in the South Coast Air Basin, the lead agency is required to comply with all SCAQMD Rule 403(e) Additional Requirements for Large Operations. This may include but not limited to Large Operation Notification, appropriate signage, additional dust control measures, and employment of a dust control supervisor that has successfully completed the Dust Control in the South Coast Air Basin training class. Therefore, the Final EIR should contain a detailed description of how the Project will comply with Rule 403(e). Please contact dustcontrol@aqmd.gov for more information.

Additional requirements include but are not limited to:

- Implementation of Table 2 of Rule 403 at all times and implementation of the actions specified in Table 3 of Rule 403 when applicable.
- Submittal of a fully executed Large Operation Notification to the Executive Officer.
- Maintenance of daily records to document the specific dust control actions taken.
- Installation and maintenance of project signage with project contact person that meets the minimum standards of Rule 403 Implementation Handbook.
- Identification of a dust control supervisor that has completed the SCAQMD Fugitive Dust Control Class.

Mobile Source Operational Mitigation Measures

- 13. If the health risks in the revised HRA exceed the SCQMD's CEQA significance thresholds, the increase in health risk can be reduced by implementing the following mitigation measures:
 - Accelerating the introduction of cleaner trucks through a project requirement that all heavy duty trucks generated by the project will be required to meet or exceed

- the U.S. EPA's 2010 heavy duty engine emission standards or be powered by natural gas, electricity, or other diesel alternative.
- Accelerated phase-in for non-diesel powered trucks. For example, natural gas trucks, including Class 8 HHD trucks, are commercially available today. Natural gas trucks can provide a substantial reduction in health risks, and may be more financially feasible today due to reduced fuel costs compared to diesel. In the Final CEQA document, the lead agency should require a phase-in schedule for these cleaner operating trucks to reduce project impacts. SCAQMD staff is available to discuss the availability of current and upcoming truck technologies and incentive programs with the lead agency and project applicant.
- Use alternatively-fueled on-site equipment.

Additional Mobile Source Operational Mitigation Measures

14. Similar to the City of Los Angeles requirements for all new projects, the SCAQMD staff recommends that the lead agency require at least 5% of all vehicle parking spaces (including for trucks) include EV charging stations¹.

Trucks that can operate at least partially on electricity have the ability to substantially reduce the significant NOx impacts from this project. Further, trucks that run at least partially on electricity are projected to become available during the life of the project as discussed in the 2012 and 2016 Regional Transportation Plan. It is important to make this electrical infrastructure available when the project is built so that it is ready when this technology becomes commercially available. The cost of installing electrical charging equipment on-site is significantly cheaper if completed when the project is built compared to retrofitting an existing building. Therefore, the SCAQMD staff recommends the lead agency require the proposed warehouse and other plan areas that allow truck parking to be constructed with the appropriate infrastructure to facilitate sufficient electric charging for trucks to plug-in.

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 $^{{1\}atop http://ladbs.org/LADBSWeb/LADBS\ Forms/Publications/LAGreenBuildingCodeOrdinance.pdf}.$