

SENT VIA E-MAIL:

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# <u>Draft Environmental Impact Report (EIR) for the Proposed</u> <u>IPT Enterprise Business Center LLC Project (Proposed Project)</u> (SCH No.: 2024030755)

South Coast Air Quality Management District (South Coast AQMD) staff appreciates the opportunity to comment on the above-mentioned document. The City of Lake Forest 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.

#### Summary of Project Information in the Draft EIR

Based on the Draft EIR, the Proposed Project involves the demolition of the existing two-story building and the redevelopment of a new 165,803-square-foot (sq. ft.) industrial building<sup>1</sup> that includes approximately 10,000 sq. ft. office space, up to 65,000 sq. ft. of manufacturing use, and the remainder for warehouse use.<sup>2</sup> The building would have a maximum of 23 dock doors<sup>3</sup> and generate 38 two-axle, 21 three-axle, and 58 four-axle truck trips associated with the operation.<sup>4</sup> The Proposed Project is located at 26200 Enterprise Way in Lake Forest.<sup>5</sup> Based on the review of the aerial photograph, the nearest sensitive receptor (e.g., residence) is located less than 100 feet east of the Proposed Project boundary. The Proposed Project is tentatively scheduled to commence in January 2026 and is expected to be completed within approximately one year.<sup>6</sup>

#### South Coast AQMD Comments

Outdated Meteorological Data Used in AERMOD Modeling

Appendix C states that meteorological (MET) data from the South Coast AQMD's Mission Viejo Version 9 were utilized in the AERMOD modeling. It should be noted that this version of the Version 9 MET data is no longer available. South Coast AQMD has released a newer version of AERMOD-ready MET data files (Version 11) in October 2024. The updated dataset was developed using the

<sup>&</sup>lt;sup>1</sup> Draft EIR. p. 3-9.

<sup>&</sup>lt;sup>2</sup> *Ibid*. 3-13.

 $<sup>^3</sup>$  *Ibid*.

<sup>&</sup>lt;sup>4</sup> *Ibid.* p. 4.3-29.

<sup>&</sup>lt;sup>5</sup> *Ibid*. p. 3-1.

<sup>&</sup>lt;sup>6</sup> *Ibid*. p. 3-19.

<sup>&</sup>lt;sup>7</sup> Appendix C. p. 390 of PDF.

<sup>&</sup>lt;sup>8</sup> South Coast AQMD AERMOD-Ready MET Data Files available at <a href="https://www.aqmd.gov/assets/aermet/AERMET">https://www.aqmd.gov/assets/aermet/AERMET</a> files And HRA Tool.html

U.S. EPA's AERMET processor Version 22112, along with pre-processors AERMINUTE Version 15272 and AERSURFACE Version 20060. To ensure consistency and transparency in the environmental analysis, the Lead Agency is recommended to utilize the correct MET dataset in the AERMOD modeling, revise the modeling accordingly, and include the updated result in the Final EIR.

#### Truck Idling Duration and Emissions Modeling

Appendix C: Air Quality, Greenhouse Gas, and Energy Impact Report and Health Risk Assessment of the Draft EIR indicates that a default assumption of 15 minutes of idling per truck per day was used to estimate diesel particulate matter (DPM) emissions for the operational health risk assessment (HRA). However, it may not accurately reflect actual operating conditions for a facility. The Proposed Project is anticipated to generate approximately 117 truck trips per day (38 two-axle, 21 three-axle, and 58 four-axle truck trips). It is reasonable to expect that individual trucks may experience extended periods of idling due to on-site queuing, security checks, staging, loading, and unloading operations, particularly during peak hours or in constrained circulation areas. As such, a 15-minute idling duration may underestimate actual on-site idling behavior and, consequently, DPM emissions, which are a key contributor to localized health risks.

While the California Air Resources Board (CARB) limits diesel truck idling to five minutes as set forth in the Airborne Toxic Control Measure (ATCM), an exemption from this requirement is allowed for trucks equipped with engines that meet the optional low-NOx idle emission standard, which is typically applicable to model year 2008 and newer trucks. These vehicles, often referred to as "clean idle" certified, are permitted to idle longer than five minutes when situated more than 100 feet from sensitive land uses such as homes and schools. Furthermore, CARB's EMFAC2021 Volume III Technical Document (Table 4.4.2-5) indicates that heavy-duty trucks may idle for up to five hours at a single location under certain conditions. As a practical matter, the idling duration for onsite heavy-duty trucks visiting the Proposed Project site could idle for a much longer duration than what was analyzed in the Draft EIR. Thus, the HRA may have substantially underestimated the full extent of operational health risks associated with the DPM emissions from the anticipated onsite heavy-duty truck activities.

Accurate characterization of idling activity is essential to fully assess a project's potential health risk impacts, particularly for nearby sensitive receptors. Therefore, to ensure the HRA provides a conservative and health-protective estimate of potential exposure, the Lead Agency is recommended to either: 1) revise the operational emissions modeling in the Final EIR to assume a minimum of 30 minutes of idling per truck per day, unless site-specific data or operational constraints justify a shorter duration; or 2) provide empirical evidence, such as facility-specific queuing and processing time studies, vehicle circulation modeling, or comparable industry data, to substantiate the 15-minute assumption as representative of expected operations of the Proposed Project.

Additional Recommended Air Quality and Greenhouse Gas Mitigation Measures and Project Design Features for Consideration

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<sup>&</sup>lt;sup>9</sup> South Coast AQMD Data for AERMOD available at <a href="https://www.aqmd.gov/home/air-quality/meteorological-data/data-for-aermod">https://www.aqmd.gov/home/air-quality/meteorological-data/data-for-aermod</a>

<sup>&</sup>lt;sup>10</sup> Appendix C: Air Quality, Greenhouse Gas, and Energy Impact Report and Health Risk Assessment. p. 374 of PDF.

<sup>11</sup> CARB, Airborne Toxic Control Measure to Limit Diesel-Fueled Commercial Motor Vehicle Idling was promulgated in <u>Chapter 13 of the California Code of Regulations</u>, Section 2485: Airborne Toxic Control Measure to Limit Diesel-Fueled Commercial Motor Vehicle Idling, <a href="https://www2.arb.ca.gov/sites/default/files/2022-06/13\_CCR\_2485\_OAL\_06222022-2485\_OAL\_06272022">https://www2.arb.ca.gov/sites/default/files/2022-06/13\_CCR\_2485\_OAL\_06222022-24DA\_06272022\_0.pdf</a>

<sup>&</sup>lt;sup>12</sup> CARB, EMFAC2021 Volume III Technical Document, Table 4.4.2-5, p. 161., <a href="https://ww2.arb.ca.gov/sites/default/files/2021-03/emfac2021">https://ww2.arb.ca.gov/sites/default/files/2021-03/emfac2021</a> volume 3 technical document.pdf

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, South Coast AQMD recommends incorporating the following mitigation measures and project design considerations into the Final EIR.

#### Mitigation Measures to Reduce Operational Air Quality Impacts from Mobile Sources

1. Require zero-emission (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 feasible.

Note: Given CARB'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 and the Heavy-duty Low NOx Omnibus Regulation, ZE and NZE trucks will become increasingly more available for use.

2. Require a phase-in schedule to incentivize the use of cleaner operating trucks to reduce any significant adverse air quality impacts.

Note: South Coast AQMD staff are available to discuss the availability of current and upcoming truck technologies and incentive programs with the Lead Agency.

- 3. Limit the daily number of trucks allowed at the Proposed Project 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 Proposed Project through CEQA prior to allowing this higher activity level.
- 4. 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.

### Mitigation Measures to Reduce Operational Air Quality Impacts from Other Area Sources

- 1. Maximize the use of solar energy by installing solar energy arrays.
- 2. Use light-colored paving and roofing materials.
- 3. Utilize only Energy Star heating, cooling, and lighting devices and appliances.

# Design Considerations for Reducing Air Quality and Health Risk Impacts

- 1. 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.).
- 2. 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.
- 3. Design the Proposed Project such that any truck check-in point is inside the Proposed Project site to ensure no trucks are queuing outside.

- 4. Design the Proposed Project to ensure that truck traffic inside the Proposed Project site is as far away as feasible from sensitive receptors.
- 5. Restrict overnight truck parking in sensitive land uses by providing overnight truck parking inside the Proposed Project site.

Lastly, the South Coast AQMD also suggests that the Lead Agency conduct a review of the following references and incorporate additional mitigation measures as applicable to the Proposed Project in the Final EIR:

- 1. State of California Department of Justice: Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act<sup>13</sup>
- 2. South Coast AQMD 2022 Air Quality Management Plan, <sup>14</sup> specifically:
  - a) Appendix IV-A South Coast AQMD's Stationary and Mobile Source Control Measures
  - b) Appendix IV-B CARB's Strategy for South Coast
  - c) Appendix IV-C SCAG's Regional Transportation Strategy and Control Measure
- 3. United States Environmental Protection Agency (U.S. EPA) Transportation, Air Quality, and Climate Change. 15

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

Since the Proposed Project consists of the development of a 165,803 square foot industrial building with warehouse uses, and once the warehouse is occupied, the Proposed Project's warehouse owners and operators will be required to comply with South Coast AQMD Rule 2305 – Warehouse Indirect Source Rule – WAIRE Program<sup>16</sup> and Rule 316 – Fees for Rule 2305.<sup>17</sup> Rule 2305 and Rule 316 aim to reduce regional and local emissions of NOx and particulate matter (PM), including DPM, so as to reduce adverse public health impacts on communities located near warehouses. Rule 2305 applies to owners and operators of warehouses greater than or equal to 100,000 square feet of indoor floor space in a single building. 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 to earn WAIRE Points on behalf of their tenants if they 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

<sup>17</sup> South Coast AQMD Rule 316 -Fees for Rule 2305 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-iii/r316.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-iii/r316.pdf</a>

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<sup>&</sup>lt;sup>13</sup> State of California – Department of Justice, Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act available at <a href="https://oag.ca.gov/system/files/media/warehouse-best-practices.pdf">https://oag.ca.gov/system/files/media/warehouse-best-practices.pdf</a>

<sup>&</sup>lt;sup>14</sup> South Coast AQMD, 2022 Air Quality Management Plan (AQMP) available at <a href="http://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan">http://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan</a>

<sup>&</sup>lt;sup>15</sup> United States Environmental Protection Agency (U.S. EPA) Transportation, Air Quality, and Climate Change available at <a href="https://www.epa.gov/transportation-air-pollution-and-climate-change">https://www.epa.gov/transportation-air-pollution-and-climate-change</a>

<sup>&</sup>lt;sup>16</sup> South Coast AQMD Rule 2305 – Warehouse Indirect Source Rule – WAIRE Program available at https://www.aqmd.gov/docs/default-source/rule-book/reg-xxiii/r2305.pdf

activities. Therefore, the Lead Agency is recommended to review Rule 2305 to determine the potential WAIRE Points Compliance Obligation for future operators and explore whether additional project requirements, design features/enhancements, and CEOA mitigation measures can be identified and implemented at the Proposed Project that may help future warehouse operators meet their compliance obligation. For questions concerning Rule 2305 implementation and compliance, please call (909) 396-3140 or email waire-program@aqmd.gov. For implementation of guidance documents and compliance and reporting tools, please visit South Coast AQMD's WAIRE Program webpage.

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

If 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, etc., one or more air permits from South Coast AOMD will be required. The Final EIR should include a discussion about the South Coast AQMD rules that may be applicable to the Proposed Project. Those rules may include, for example, Rule 201 – Permit to Construct, <sup>18</sup> Rule 203 – Permit to Operate, <sup>19</sup> Rule 401 – Visible Emissions, <sup>20</sup> Rule 402 – Nuisance, <sup>21</sup> Rule 403 – Fugitive Dust, <sup>22</sup> Rule 1110.2 – Emissions from Gaseous and Liquid Fueled Engines, <sup>23</sup> Rule 1113 – Architectural Coatings, <sup>24</sup> Regulation XIII – New Source Review, <sup>25</sup> Rule 1401 – New Source Review of Toxic Air Contaminants, <sup>26</sup> and Rule 1470 – Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines,<sup>27</sup> etc. It is important to note if air permits from the South Coast AQMD are required, South Coast AQMD's role under CEQA will become the Responsible Agency of the Proposed Project. Per CEQA Guidelines Section 15086, the Lead Agency is required to consult with South Coast AQMD. 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 the process for conducting a review of the Proposed Project and issuing discretionary approvals. Also, as set forth in CEQA Guidelines Section 15096(h), the Responsible Agency is required to make Findings in accordance with CEQA Guidelines Section 15091 for each significant effect of the project and issue a Statement of Overriding Considerations in accordance with CEQA Guidelines Section 15093, if necessary. Lastly, as set forth in CEQA Guidelines Section 15096(i), the Responsible Agency may file a Notice of Determination.

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 the process for conducting a review of the Proposed Project and issuing discretionary approvals. Moreover, it is important to note that if a Responsible Agency determines that a CEQA document is not adequate to rely upon for its discretionary approvals, the Responsible Agency must take further actions listed in CEQA Guideline Section 15096(e), which could have the effect of delaying the implementation of the Proposed Project. In its role as CEQA Responsible Agency, the South Coast AQMD is obligated to ensure that the CEQA document prepared for this Proposed Project contains a sufficient project description and analysis to be relied upon in order to issue any discretionary approvals that may be needed for air permits.

<sup>&</sup>lt;sup>18</sup> South Coast AQMD, Rule 201 available at https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-201.pdf

<sup>&</sup>lt;sup>19</sup> South Coast AQMD, Rule 203 available at https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-203.pdf

<sup>&</sup>lt;sup>20</sup> South Coast AQMD, Rule 401 available at https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-401.pdf

<sup>&</sup>lt;sup>21</sup> South Coast AQMD, Rule 402 available at https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-402.pdf

<sup>&</sup>lt;sup>22</sup> South Coast AQMD, Rule 403 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-403">https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-403</a>

<sup>&</sup>lt;sup>23</sup> South Coast AQMD, Rule 1110.2 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1110">https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1110</a> 2.pdf <sup>24</sup> South Coast AQMD, Rule 1113 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1113.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1113.pdf</a>

<sup>&</sup>lt;sup>25</sup> South Coast AQMD, Regulation XIII available at: https://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rulebook/regulation-xiii

<sup>&</sup>lt;sup>26</sup> South Coast AOMD, Rule 1401 available at https://www.agmd.gov/docs/default-source/rule-book/reg-xiv/rule-1401.pdf

<sup>&</sup>lt;sup>27</sup> South Coast AOMD, Rule 1470 available at https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1470.pdf

For these reasons, the final CEQA document should be revised to include a discussion about any and all new stationary and portable equipment requiring South Coast AQMD air permits, provide the evaluation of their air quality and greenhouse gas impacts, and identify South Coast AQMD as a Responsible Agency for the Proposed Project as this information will 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 https://www.aqmd.gov/home/permits.

## Conclusion

As set forth in 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 are 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 <a href="mailto:dnguyen1@aqmd.gov">dnguyen1@aqmd.gov</a> should you have any questions.

Sincerely,

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