



# South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178  
(909) 396-2000 • [www.aqmd.gov](http://www.aqmd.gov)

SENT VIA E-MAIL:

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[glenn.mlaker@palmsspringsca.gov](mailto:glenn.mlaker@palmsspringsca.gov)

Glenn Mlaker, AICP, Associate Planner

City of Palm Springs

3200 E. Tahquitz Canyon Way

Palm Springs, CA 92262

## **Notice of Preparation of a Draft Environmental Impact Report for the First Industrial Commerce Center II (Proposed Project) (SCH No.: 2026010975)**

South Coast Air Quality Management District (South Coast AQMD) staff appreciate the opportunity to comment on the above-mentioned document. Our comments are recommendations on the analysis of potential air quality impacts from the Proposed Project that should be included in the Draft Environmental Impact Report (Draft EIR). Please send a copy of the Draft EIR upon its completion and public release directly to South Coast AQMD as copies of the Draft EIR submitted to the State Clearinghouse are not forwarded. **In addition, please send all appendices and technical documents related to the air quality, health risk, and greenhouse gas analyses (electronic versions of all emission calculation spreadsheets, air quality modeling, and health risk assessment input and output files, not PDF files). Any delays in providing all supporting documentation for our review will require additional review time beyond the end of the comment period.**

### **CEQA Air Quality Analysis**

The Lead Agency is recommended to rely on the guidance provided in the South Coast AQMD's CEQA Air Quality Handbook and website<sup>1</sup> when preparing the air quality and greenhouse gas analyses. It is also recommended that the Lead Agency use the California Air Pollution Control Officers Association's California Emissions Estimator Model (CalEEMod)<sup>2</sup> software, to quantify emissions of air pollutants from typical land use development projects.

The Initial Study states that, at this time, it is not known whether or to what extent development and improvements facilitated by the Proposed Project would impact nonattainment criteria pollutants or expose sensitive receptors to substantial pollutant emissions, and therefore concludes that further air quality analysis is warranted.<sup>3</sup> The Initial Study further indicates that localized impacts would be evaluated using the Localized Significance Threshold (LST) Look-Up Tables for Source Receptor Area (SRA) 30 (Coachella Valley).<sup>4</sup>

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<sup>1</sup> South Coast AQMD's CEQA Air Quality Handbook and other resources for preparing air quality analyses can be found at: <http://www.aqmd.gov/home/rules-compliance/ceqa/air-quality-analysis-handbook>.

<sup>2</sup> CalEEMod is available free of charge at: [www.caleemod.com](http://www.caleemod.com).

<sup>3</sup> Draft Initial Study, p. 22.

<sup>4</sup> *Ibid.*

As indicated in Table 3-2 of South Coast AQMD's Final Localized Significance Threshold Methodology, the LST screening tables are not applicable to projects greater than five acres.<sup>5</sup> Since the Proposed Project encompasses approximately 59 acres and may include nearby sensitive receptors, including existing residential uses to the northeast of the project site, reliance on the LST Look-Up Tables would not provide a technically appropriate or conservative assessment of localized air quality impacts. South Coast AQMD has adopted both regional air quality significance thresholds and localized significance thresholds (LSTs).

Accordingly, given the Project's size and potential proximity to sensitive receptors, the Lead Agency should conduct project-specific air dispersion modeling to evaluate localized construction and operational air quality impacts rather than relying on LST screening tables. The modeling analysis should evaluate worst-case emission scenarios, account for overlapping construction and operational activities where applicable, and compare modeled concentrations to South Coast AQMD's localized significance thresholds to determine the level of significance.

The Lead Agency should identify any potential adverse air quality and greenhouse gas impacts that could occur from all phases of the Proposed Project and all air pollutant sources related to the Proposed Project. Air quality and greenhouse gas impacts from both construction (including demolition, if any) and operations should be calculated. Construction-related air quality impacts typically include, but are not limited to, emissions from the use of heavy-duty equipment from grading, earth-loading/unloading, paving, architectural coatings, off-road mobile sources (e.g., heavy-duty construction equipment) and on-road mobile sources (e.g., construction worker vehicle trips, material transport trips, and hauling trips). Operation-related air quality and greenhouse gas impacts may include, but are not limited to, emissions from stationary sources (e.g., boilers and air pollution control devices), area sources (e.g., solvents and coatings), and vehicular trips (e.g., on- and off-road tailpipe emissions and entrained dust). Air quality and greenhouse gas impacts from indirect sources, such as sources that generate or attract vehicular trips, should be included in the analysis. Furthermore, if the Lead Agency elects to rely on South Coast AQMD's air quality significance thresholds, the emissions from the overlapping construction and operational activities should be combined and compared to South Coast AQMD's air quality significance thresholds for *operation* to determine the level of significance.

If the Proposed Project generates diesel emissions from long-term construction or attracts diesel-fueled vehicular trips, especially if heavy-duty diesel-fueled vehicles will be used, it is recommended that the Lead Agency perform a mobile source health risk assessment.<sup>6</sup>

Also, 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, spray booths, etc., one or more air permits from South Coast AQMD will be required, and the role of South Coast AQMD would change from a Commenting Agency under CEQA to a Responsible Agency as defined in CEQA Guidelines Section 15381. The assumptions in the air quality analysis in the EIR will be the basis for evaluating the air permit(s) under CEQA and imposing permit

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<sup>5</sup> South Coast AQMD's guidance for performing a localized air quality analysis can be found at: <http://www.aqmd.gov/home/regulations/ceqa/air-quality-analysis-handbook/localized-significance-thresholds>.

<sup>6</sup> 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>.

conditions and limits. Questions about air permit requirements should be directed to South Coast AQMD's Engineering and Permitting staff at (909) 396-3385.

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 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, if applicable. Also, as set forth in CEQA Guidelines Section 15086, the Lead Agency is required to consult with all Responsible Agencies with discretionary approval power over the Proposed Project. Thus, if air permits are required and South Coast AQMD is identified as a Responsible Agency, please let this comment letter serve as South Coast AQMD's request to convene a meeting with the Lead Agency as required by CEQA Guidelines Section 15104 to discuss the scope and content of the environmental information that will need to be included in the Draft EIR.

The Proposed Project appears to include a warehouse and the operation of warehouses generates and attracts heavy-duty diesel-fueled trucks that emit diesel particulate matter (DPM), a toxic air contaminant. The South Coast AQMD Multiple Air Toxics Exposure Study (MATES V), completed in August 2021, concluded that the largest contributor to cancer risk from air pollution is DPM emissions.<sup>7</sup> For this reason, South Coast AQMD staff is concerned about the potentially adverse public health impacts of siting new warehouses or expanding existing warehouses within close proximity of sensitive land uses, especially in communities located in or adjacent to multiple other existing warehouses and their associated truck activities. According to the MATES V carcinogenic risk interactive map, the area surrounding the Proposed Project has an estimated cancer risk of over 228 in one million.<sup>8</sup> When the health impacts from the Proposed Project are added to those existing impacts from these other sources of DPM, residents living in the communities surrounding the Proposed Project may face an even greater exposure to air pollution and bear a disproportionate burden of increased health risks. To minimize the impacts of DPM from the Proposed Project and avoid exacerbating existing conditions, the Lead Agency is encouraged to evaluate either quantitatively or qualitatively the potential health risk impacts to nearby sensitive receptors and if significant impacts are identified, to include mitigation measures in the Draft EIR (which are discussed later in this letter) that would reduce or eliminate the DPM health risks to the surrounding community.

In addition, some warehouses could potentially be receiving and storing materials sterilized with ethylene oxide (EtO), a known carcinogen identified by CARB as a Toxic Air Contaminant and by the U.S. EPA as a Hazardous Air Pollutant. EtO is a flammable, colorless gas used in many industries to make products including antifreeze, textiles, solvents, detergents, and adhesives. EtO is also used to sterilize medical devices, the primary use within South Coast AQMD. Due to concerns of EtO off-gassing from sterilized materials and the associated warehouses that receive and store materials sterilized with EtO, there is a potential that some warehouses could emit EtO and pose a cancer risk to workers and nearby sensitive receptors. For these reasons, the Lead Agency is recommended to notify the project proponent, including the potential future tenants, if

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<sup>7</sup> South Coast AQMD. August 2021. *Multiple Air Toxics Exposure Study in the South Coast Air Basin V*. Available at: <http://www.aqmd.gov/home/air-quality/air-quality-studies/health-studies/mates-v>.

<sup>8</sup> South Coast AQMD. MATES V Data Visualization Tool. Accessed at: [MATES Data Visualization \(arcgis.com\)](https://arcgis.com).

known, that if sterilization activities or related operations involving the storage or transport of materials sterilized with EtO are intended to occur at the Proposed Project site, such activities would be subject to the requirements of South Coast AQMD Rule 1405 – Control of Ethylene Oxide Emissions from Sterilization and Related Operations.<sup>9</sup> Rule 1405 contains a variety of requirements applicable to both facilities and certain large warehouses that receive EtO-sterilized products. For the latter, warehouse operators are required to provide records and emissions data through fence-line monitoring or emissions studies to help assess EtO emissions from warehouses. Rule 1405 is intended to minimize EtO emissions from these sources to protect public health, particularly in nearby communities that may be vulnerable to toxic air contaminants.

Thus, if the Proposed Project includes a warehouse that will store materials that have been sterilized with EtO, the Lead Agency is recommended to conduct a health risk assessment that evaluates potential health risks from EtO emissions associated with the Proposed Project and include this information in the Draft EIR to facilitate full disclosure of potential health risk impacts.

In addition, the project site is located in close proximity to the AB 617-designated East Coachella Valley (ECV). The primary sources of air pollution emissions in the ECV community are on-road vehicles, farming equipment, trains, off-road equipment, and certain industrial activities. This community is also highly impacted by the declining Salton Sea levels, resulting in increasing dust emissions from the Salton Sea playa. As part of the AB 617 process, South Coast AQMD is required to work with a Community Steering Committee (CSC) to develop a Community Emission Reduction Plan (CERP) that identifies air quality priorities and related actions to reduce air pollution in the community. The South Coast AQMD Governing Board adopted the EVC CERP in July 2021.<sup>10</sup> Therefore, South Coast AQMD staff recommends that the Lead Agency review the actions to reduce air pollution in the community included in Chapter 5 of the ECV CERP, which can be found here:

[https://www.aqmd.gov/docs/default-source/ab-617-ab-134/steering-committees/eastern-coachella-valley/final-cerp/final-cerp-july-2021.pdf?sfvrsn=ae03ae61\\_9](https://www.aqmd.gov/docs/default-source/ab-617-ab-134/steering-committees/eastern-coachella-valley/final-cerp/final-cerp-july-2021.pdf?sfvrsn=ae03ae61_9).

South Coast AQMD staff also recommends the Lead Agency continue working with South Coast AQMD to explore whether additional measures to mitigate or further reduce emissions can be implemented at the Proposed Project to support actions in the EVC CERP.

### **Mitigation Measures**

In the event that the Proposed Project results in significant adverse air quality impacts, CEQA requires that all feasible mitigation measures that go beyond what is required by law be utilized to minimize these impacts. Any impacts resulting from mitigation measures must also be analyzed. Several resources to assist the Lead Agency with identifying potential mitigation measures for the Proposed Project include South Coast AQMD's CEQA Air Quality Handbook,<sup>11</sup> South Coast

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<sup>9</sup> South Coast AQMD, Rule 1405 – Control of Ethylene Oxide Emissions from Sterilization and Related Operations. Available at: <https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1405.pdf>.

<sup>10</sup> South Coast AQMD. July 2021. Assembly Bill 617 East Coachella Valley Community Emissions Reduction Plan. Accessed at: [https://www.aqmd.gov/docs/default-source/ab-617-ab-134/steering-committees/eastern-coachella-valley/final-cerp/final-cerp-july-2021.pdf?sfvrsn=ae03ae61\\_9](https://www.aqmd.gov/docs/default-source/ab-617-ab-134/steering-committees/eastern-coachella-valley/final-cerp/final-cerp-july-2021.pdf?sfvrsn=ae03ae61_9).

<sup>11</sup> South Coast AQMD's CEQA Air Quality Handbook, Available at: <https://www.aqmd.gov/home/rules-compliance/ceqa/air-quality-analysis-handbook>

AQMD's Mitigation Monitoring and Reporting Plan for the 2022 Air Quality Management Plan,<sup>12</sup> and Southern California Association of Government's Mitigation Monitoring and Reporting Plan for the 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy.<sup>13</sup>

The following mitigation measures are provided to assist the Lead Agency in identifying feasible strategies that may be evaluated in the Draft EIR should significant impacts be identified:

- 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 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>14</sup> and the Heavy-Duty Low NOx Omnibus Regulation<sup>15</sup>, ZE and NZE trucks will become increasingly more available to use. The Lead Agency should require a phase-in schedule to incentivize the use of 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 2010 model year<sup>16</sup> that meet 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. 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.

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<sup>12</sup> South Coast AQMD's 2022 Air Quality Management Plan can be found at: <http://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan> (Chapter 4 - Control Strategy and Implementation).

<sup>13</sup> Southern California Association of Governments' 2020-2045 RTP/SCS can be found at: [https://www.connectsocial.org/Documents/PEIR/certified/Exhibit-A\\_ConnectSoCal\\_PEIR.pdf](https://www.connectsocial.org/Documents/PEIR/certified/Exhibit-A_ConnectSoCal_PEIR.pdf).

<sup>14</sup> CARB. June 25, 2020. *Advanced Clean Trucks Rule*. Accessed at: <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-trucks>.

<sup>15</sup> CARB has recently passed a variety of new regulations that require new, cleaner heavy-duty truck technology to be sold and used in 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: <https://ww2.arb.ca.gov/rulemaking/2020/hdomnibuslownox>.

<sup>16</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>.

Mitigation measures for operational air quality impacts from other area sources that the Lead Agency should consider in the Draft EIR may include the following:

- Maximize 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.
- Use of water-based or low VOC cleaning products that go beyond the requirements of South Coast AQMD Rule 1113.

Design considerations for the Proposed Project that the Lead Agency should consider to further reduce air quality and health risk impacts include the following:

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

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, and Rule 316 – Fees for Rule 2305. 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 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 1,092,337-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.<sup>17</sup> 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](mailto:waire-program@aqmd.gov). For implementation guidance documents and compliance and reporting tools, please visit South Coast AQMD's WAIRE Program webpage.<sup>18</sup>

South Coast AQMD staff is available to work with the Lead Agency to ensure that air quality, greenhouse gas, and health risk impacts from the Proposed Project are accurately evaluated and mitigated where feasible. If you have any questions regarding this letter, please contact Jivar Afshar at [jafshar@aqmd.gov](mailto:jafshar@aqmd.gov).

Sincerely,

*Sam Wang*

Sam Wang

Program Supervisor, CEQA IGR

Planning, Rule Development & Implementation

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<sup>17</sup> 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>.

<sup>18</sup> South Coast AQMD WAIRE Program. Accessed at: <http://www.aqmd.gov/waire>.