July 31, 2025

The Honorable Vanessa Delgado Chair, South Coast AQMD Governing Board 21865 Copley Drive Diamond Bar, CA 91765

Email: vdelgado@aqmd.gov

Re: Support the Ports' Cooperative Proposal Over Proposed Rule 2304

Dear Chair Delgado:

On behalf of *Newcastle Partners*, I respectfully urge you to support the cooperative agreement proposal presented by the Ports of Los Angeles and Long Beach in lieu of adopting Proposed Rule 2304 (the "Ports ISR").

Newcastle Partners is a privately held, vertically integrated real estate investment and development firm focused on delivering best-in-class industrial facilities across Southern California. With a portfolio spanning all four Southern California counties, Los Angeles, Orange, Riverside, and San Bernardino, we have developed and operated over 10 million square feet of logistics and distribution space. Our properties support more than 100 tenants regionally, ranging from global logistics providers to local businesses, and collectively help sustain an estimated 5,000 jobs tied to the goods movement economy.

Our tenants operating in warehouses over 100,000 square feet are committed to environmental stewardship and comply with South Coast AQMD Rule 2305 (the "Warehouse ISR") and the WAIRE Program. We fully support reducing emissions regionally, and firmly believe the Ports' collaborative approach through its proposed cooperative agreement provides a stronger path forward compared to Proposed Rule 2304.

As stakeholders closely connected to the operations of the San Pedro Bay Ports, we recognize and value their unparalleled economic importance — supporting hundreds of thousands of jobs and empowering national supply chains. The Ports' proposed cooperative framework offers a practical and accountable solution that strengthens the Clean Air Action Plan, accelerates environmental progress, and avoids the unintended consequences that a rigid regulatory mandate may cause.

We respectfully request that you pause the rulemaking process and direct SCAQMD staff to negotiate a cooperative agreement with both Ports, and the Cities of Los Angeles and Long Beach. The final version of a cooperative agreement should be presented to the Harbor Commissions and the SCAQMD Governing Board by October 2025.

Thank you for your thoughtful leadership and continued commitment to clean air and economic vitality.

Sincerely,

Lauren Smith Project Coordinator Newcastle Partners

CC: Faye Thomas, Clerk of the Boards Michael A. Cacciotti, Governing Board Vice-Chair Curt Hagman, Governing Board Member Patricia Lock Dawson, Governing Board Member Larry McCallon, Governing Board Member Holly J. Mitchell, Governing Board Member Janet Nguyen, Governing Board Member Brenda Olmos, Governing Board Member Veronica Padilla-Campos, Governing Board Member V. Manuel Perez, Governing Board Member Nithya Raman, Governing Board Member Carlos Rodriguez, Governing Board Member Wayne Nastri, Executive Officer Sarah Rees, Ph.D., Deputy Executive Officer Ian MacMillan, Assistant Deputy Executive Officer Elaine Shen, Planning and Rules Manager Charlene Nguyen, Program Supervisor