

Gavin Newsom, Governor Jared Blumenfeld, CalEPA Secretary Mary D. Nichols, Chair

March 9, 2020

Jivar Afshar Senior Planner City of Los Angeles 221 North Figueroa Street, Suite 1350 Los Angeles, California 90012 30vernor's Office of Planning & Research

MAR 12 2020

STATE CLEARINGHOUSE

Dear Jivar Afshar:

Thank you for providing the California Air Resources Board (CARB) with the opportunity to comment on the Notice of Preparation (NOP) for the Prologis Vermont and Redondo Project (Project) Draft Environmental Impact Report (DEIR), State Clearinghouse No. 2017121007. The Project consists of the construction and operation of 340,298 square-foot manufacturing/high-cube warehouse/distribution center. The Project is proposed within the City of Los Angeles (City), California, which is the lead agency for California Environmental Quality Act (CEQA) purposes.

Freight facilities, such as warehouse and distribution facilities, can result in high daily volumes of heavy-duty diesel truck traffic and operation of on-site equipment (e.g., forklifts and yard tractors) that emit toxic diesel emissions, and contribute to regional air pollution and global climate change. CARB has reviewed the NOP and is concerned about the air pollution and health risk impacts that would result should the City approve the Project to build the manufacturing/high-cube warehouse/distribution center.

I. The Project Would Increase Exposure to Air Pollution in Disadvantaged Communities

The Project, if approved, will expose nearby disadvantaged communities to elevated air pollution. Addressing the disproportionate impacts that air pollution has on disadvantaged communities is a pressing concern across the State, as evidenced by statutory requirements compelling California's public agencies to target these communities for clean air investment, pollution mitigation, and environmental regulation. The following three pieces of legislation need to be considered and included in the DEIR when developing a project like this near disadvantaged communities.

With regard to greenhouse gas emissions from this project, CARB has been clear that local governments and project proponents have a responsibility to properly mitigate these impacts. CARB's guidance, set out in detail in the Scoping Plan issued in 2017, makes clear that in CARB's expert view local mitigation is critical to achieving climate goals and reducing greenhouse gases below levels of significance.

A. Senate Bill 535 (De León, 2012)

Senate Bill 535 (De León, Chapter 830, 2012)² recognizes the potential vulnerability of low-income and disadvantaged communities to poor air quality and requires funds to be spent to benefit disadvantaged communities. The California Environmental Protection Agency (CalEPA) is charged with the duty to identify disadvantaged communities. CalEPA bases its identification of these communities on geographic, socioeconomic, public health, and environmental hazard criteria (Health and Safety Code, section 39711, subsection (a)). In this capacity, CalEPA currently defines a disadvantaged community, from an environmental hazard and socioeconomic standpoint, as a community that scores within the top 25 percent of the census tracts, as analyzed by the California Communities Environmental Health Screening Tool Version 3.0 (CalEnviroScreen).³ This Project falls adjacent to the northern boundary of the Wilmington, Carson, West Long Beach Community. The maximum CalEnviroScreen score for the Wilmington, Carson, West Long Beach community is in the top 2 percent, indicating that the area is home to some of the most vulnerable neighborhoods in the State. The air pollution levels in Wilmington, Carson, West Long Beach routinely exceed State and federal air quality standards. CARB urges the City to ensure that the Project does not adversely impact neighboring disadvantaged communities.

B. Senate Bill 1000 (Leyva, 2016)

Senate Bill 1000 (SB 1000) (Leyva, Chapter 587, Statutes of 2016)⁴ amended Planning and Zoning Law. SB 1000 requires local governments that have identified disadvantaged communities to incorporate the addition of an environmental justice element into their general plans upon the adoption or next revision of two or more elements concurrently on or after January 1, 2018. SB 1000 requires environmental justice elements to identify objectives and policies to reduce unique or compounded health risks in disadvantaged communities. Generally, environmental justice elements will include policies to reduce the community's exposure to pollution through air quality improvement. SB 1000 affirms the need to integrate environmental justice principles into the planning process to prioritize improvements and programs that address the needs of disadvantaged communities.

² Senate Bill 535, De León, K., Chapter 800, Statutes of 2012, modified the California Health and Safety Code, adding § 39711, § 39713, § 39715, § 39721and § 39723.

^{3. &}quot;CalEnviroScreen 3.0." Oehha.ca.gov, California Office of Environmental Health Hazard Assessment, June 2018, https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30.

⁴ Senate Bill 1000, Leyva, S., Chapter 587, Statutes of 2016, amended the California Health and Safety Code, § 65302.

C. Assembly Bill 617 (Garcia, 2017)

The State of California has emphasized protecting local communities from the harmful effects of air pollution through the passage of Assembly Bill 617 (AB 617) (Garcia, Chapter 136, Statutes of 2017). ⁵ AB 617 requires new community-focused and community-driven action to reduce air pollution and improve public health in communities that experience disproportionate burdens from exposure to air pollutants. In response to AB 617, CARB established the Community Air Protection Program with the goal of reducing exposure in communities heavily impacted by air pollution. The Wilmington, Carson, West Long Beach Community is 1 of 10 statewide communities chosen for inclusion in the first year of the Community Air Protection Program.

The Wilmington, Carson, West Long Beach Community was selected for both community air monitoring and the development of an emissions reduction program due to its high cumulative exposure burden, the presence of a significant number of sensitive populations (children, elderly, and individuals with pre-existing conditions), and the socioeconomic challenges experienced by its residents.

Health-harming emissions, including particulate matter (PM), toxic air contaminants, and diesel PM generated during the construction and operation of the Project may negatively impact the community, which is already disproportionally impacted by air pollution from the existing port and other freight operations as well as stationary sources of air pollution. Part of the AB 617 process required CARB and the South Coast Air Quality Management District (SCAQMD) to create a highly-resolved inventory of air pollution sources within this community. CARB would be more than happy to share this community emissions inventory with the City and applicant to aid in the DEIR's cumulative impact analysis.

II. The DEIR Should Quantify and Discuss the Potential Cancer Risks at Residential and Other Sensitive Receptors in the Vicinity of the Proposed Industrial Building

Since the Project description in the NOP did not explicitly state that the proposed 340,298 square-foot manufacturing/high-cube warehouse/distribution center would not include cold storage space, there is a possibility that trucks and trailers visiting the Project site would be equipped with transport refrigeration units (TRU).⁶

TRUs on trucks and trailers can emit large quantities of diesel exhaust while operating within the Project site. Residences and other sensitive receptors (e.g., daycare facilities, senior care facilities, and schools) located near where these TRUs could be

^{5.} Assembly Bill 617, Garcia, C., Chapter 136, Statutes of 2017, modified the California Health and Safety Code, amending § 40920.6, § 42400, and § 42402, and adding § 39607.1, § 40920.8, § 42411, § 42705.5, and § 44391.2.

^{6.} TRUs are refrigeration systems powered by integral diesel engines that protect perishable goods during transport in an insulated truck and trailer vans, rail cars, and domestic shipping containers.

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operating, would be exposed to diesel exhaust emissions that would result in significant cancer risk. CARB urges the applicant and City to clearly define the final use of the Project in the DEIR so the public can fully understand the potential environmental effects of the Project on their communities.⁷

If the Project will not be used for cold storage, CARB urges the City to include one of the following design measures in the DEIR:

- A Project design measure requiring contractual language in tenant lease agreements that prohibits tenants from operating TRUs within the Project site; or
- A condition requiring a restrictive covenant over the parcel that prohibits the applicant's use of TRUs on the property unless the applicant seeks and receives an amendment to its conditional use permit allowing such use.

If the City does allow TRUs within the Project site, CARB urges the City to model air pollutant emissions from on-site TRUs in the DEIR, as well as prepare a health risk assessment (HRA) that shows the potential health risks. The DEIR should also include the air pollutant reduction measures listed in Attachment A.

In addition to the health risks associated with operations, construction health risks should be included in the air quality section of the DEIR and the Project's HRA. Construction of the Project would result in short-term diesel emissions from the use of both on-road and off-road diesel equipment. The Office of Environmental Health Hazard Assessment's (OEHHA) guidance recommends assessing cancer risks for construction projects lasting longer than two months. Since construction would very likely occur over a period lasting longer than two months, the HRA prepared for the Project should include health risks for existing residences near the Project site during construction.

The HRA prepared in support of the Project should be based on the latest OEHHA guidance (2015 Air Toxics Hot Spots Program Guidance Manual for Preparation of Health Risk Assessments),⁸ and the South Coast Air Quality Management District's CEQA Air Quality Handbook.⁹ The HRA should evaluate and present the existing baseline (current conditions), future baseline (full build-out year, without the Project),

^{7.} Project descriptions "must include (a) the precise location and boundaries of the proposed project, (b) a statement of the objectives sought by the proposed project, (c) a general description of the project's technical, economic and environmental characteristics, and (d) a statement briefly describing the intended use of the EIR." (stopthemilleniumhollywood.com v. City of Los Angeles (2019) 39 Cal.App.5th 1, 16.) "This description of the project is an indispensable element of both a valid draft EIR and final EIR." (Ibid.) Without explicit acknowledgment in the project description that the proposed project will not include cold storage facilities, the current project description fails to meet the bare minimum of describing the project's technical and environmental characteristics.

⁸ Office of Environmental Health Hazard Assessment (OEHHA). Air Toxics Hot Spots Program Guidance Manual for Preparation of Health Risk Assessments. February 2015. Accessed at: https://oehha.ca.gov/media/downloads/crnr/2015guidancemanual.pdf.

^{9.} SCAQMD's 1993 Handbook can be found at: http://www.aqmd.gov/home/rules-compliance/ceqa/air-quality-analysis-handbook.

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and future year with the Project. The health risks modeled under both the existing and the future baselines should reflect all applicable federal, state, and local rules and regulations. By evaluating health risks using both baselines, the public and City planners will have a complete understanding of the potential health impacts that would result from the Project.

III. Conclusion

To reduce the exposure of toxic diesel emissions in disadvantaged communities already disproportionally impacted by air pollution, the final design of the Project should include all existing and emerging zero-emission technologies to minimize diesel and NO_x emission exposure to all neighboring communities, as well as the greenhouse gases that contribute to climate change. CARB encourages the City and applicant to implement the measures listed in Attachment A of this comment letter to reduce the Project's construction and operational air pollution emissions.

Given the breadth and scope of projects subject to CEQA review throughout California that have air quality and greenhouse gas impacts coupled with CARB's limited staff resources to substantively respond to all issues associated with a project, CARB must prioritize its substantive comments here based on staff time, resources, and its assessment of impacts. CARB's deliberate decision to substantively comment on some issues does not constitute an admission or concession that it substantively agrees with the lead agency's findings and conclusions on any issues on which CARB does not substantively submit comments.

CARB appreciates the opportunity to comment on the NOP for the Project and can provide assistance on zero-emission technologies and emission reduction strategies, as needed. Please include CARB on your State Clearinghouse list of selected State agencies that will receive the DEIR as part of the comment period. If you have questions, please contact Stanley Armstrong, Air Pollution Specialist, at (916) 440-8242 or via email at stanley.armstrong@arb.ca.gov.

Sincerely,

Richard Boyd, Chief Risk Reduction Branch

Richard Bogy

Transportation and Toxics Division

Attachment

cc: See next page.

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cc: State Clearinghouse
P.O. Box 3044
Sacramento, California 95812

Morgan Capilla NEPA Reviewer U.S. Environmental Protection Agency Air Division, Region 9 75 Hawthorne Street San Francisco, California 94105

Carlo De La Cruz Senior Campaign Representative Sierra Club 714 West Olympic Boulevard, Suite 1000 Los Angeles, California 90015

Lijin Sun
Program Supervisor
CEQA Intergovernmental Review
South Coast Air Quality Management District
Isun@aqmd.gov

Andrea Vidaurre
Policy Analyst
Center for Community Action and Environmental Justice
P.O. Box 33124
Riverside, California 92519

Stanley Armstrong
Air Pollution Specialist
Risk Analysis Section
Transportation and Toxics Division

ATTACHMENT A

Recommended Air Pollution Emission Reduction Measures for Warehouses and Distribution Centers

The California Air Resources Board (CARB) recommends developers and government planners use all existing and emerging zero to near-zero emission technologies during project construction and operation to minimize public exposure to air pollution. Below are some measures, currently recommended by CARB, specific to warehouse and distribution center projects. These recommendations are subject to change as new zero-emission technologies become available.

Recommended Construction Measures

- 1. Ensure the cleanest possible construction practices and equipment are used. This includes eliminating the idling of diesel-powered equipment and providing the necessary infrastructure (e.g., electrical hookups) to support zero and near-zero equipment and tools.
- Implement, and plan accordingly for, the necessary infrastructure to support the
 zero and near-zero emission technology vehicles and equipment that will be
 operating on site. Necessary infrastructure may include the physical
 (e.g., needed footprint), energy, and fueling infrastructure for construction
 equipment, on-site vehicles and equipment, and medium-heavy and heavy-heavy
 duty trucks.
- 3. In construction contracts, include language that requires all off-road diesel-powered equipment used during construction to be equipped with Tier 4 or cleaner engines, except for specialized construction equipment in which Tier 4 engines are not available. In place of Tier 4 engines, off-road equipment can incorporate retrofits such that emission reductions achieved equal or exceed that of a Tier 4 engine.
- 4. In construction contracts, include language that requires all off-road equipment with a power rating below 19 kilowatts (e.g., plate compactors, pressure washers) used during project construction be battery powered.
- 5. In construction contracts, include language that requires all heavy-duty trucks entering the construction site, during the grading and building construction phases be model year 2014 or later. All heavy-duty haul trucks should also meet CARB's lowest optional low-NO_x standard starting in the year 2022.¹

¹ In 2013, CARB adopted optional low-NO_x emission standards for on-road heavy-duty engines. CARB encourages engine manufacturers to introduce new technologies to reduce NO_x emissions below the current mandatory on-road heavy-duty diesel engine emission standards for model year 2010 and later. CARB's optional low-NO_x emission standard is available at: https://www.arb.ca.gov/msprog/onroad/optionnox/optionnox.htm.

6. In construction contracts, include language that requires all construction equipment and fleets to be in compliance with all current air quality regulations. CARB staff is available to assist in implementing this recommendation.

Recommended Operation Measures

- Include contractual language in tenant lease agreements that requires tenants to use the cleanest technologies available, and to provide the necessary infrastructure to support zero-emission vehicles and equipment that will be operating on site.
- 2. Include contractual language in tenant lease agreements that requires all loading/unloading docks and trailer spaces be equipped with electrical hookups for trucks with transport refrigeration units (TRU) or auxiliary power units. This requirement will substantially decrease the amount of time that a TRU powered by a fossil-fueled internal combustion engine can operate at the project site. Use of zero-emission all-electric plug-in TRUs, hydrogen fuel cell transport refrigeration, and cryogenic transport refrigeration are encouraged and can also be included in lease agreements.²
- 3. Include contractual language in tenant lease agreements that requires all TRUs entering the project site be plug-in capable.
- Include contractual language in tenant lease agreements that requires future tenants to exclusively use zero-emission light and medium-duty delivery trucks and vans.
- 5. Include contractual language in tenant lease agreements requiring all TRUs, trucks, and cars entering the Project site be zero-emission.
- 6. Include contractual language in tenant lease agreements that requires all service equipment (e.g., yard hostlers, yard equipment, forklifts, and pallet jacks) used within the project site to be zero-emission. This equipment is widely available.
- Include contractual language in tenant lease agreements that requires all heavy-duty trucks entering or on the project site to be model year 2014 or later, expedite a transition to zero-emission vehicles, and be fully zero-emission beginning in 2030.

² CARB's Technology Assessment for Transport Refrigerators provides information on the current and projected development of TRUs, including current and anticipated costs. The assessment is available at: https://www.arb.ca.gov/msprog/tech/techreport/tru_07292015.pdf.

- 8. Include contractual language in tenant lease agreements that requires the tenant be in, and monitor compliance with, all current air quality regulations for on-road trucks including CARB's Heavy-Duty (Tractor-Trailer) Greenhouse Gas Regulation,³ Periodic Smoke Inspection Program (PSIP),⁴ and the Statewide Truck and Bus Regulation.⁵
- 9. Include contractual language in tenant lease agreements restricting trucks and support equipment from idling longer than five minutes while on site.
- 10. Include contractual language in tenant lease agreements that limits on-site TRU diesel engine runtime to no longer than 15 minutes. If no cold storage operations are planned, include contractual language and permit conditions that prohibit cold storage operations unless a health risk assessment is conducted and the health impacts fully mitigated.
- 11. Include rooftop solar panels for each proposed warehouse to the extent feasible, with a capacity that matches the maximum allowed for distributed solar connections to the grid.

^{3.} In December 2008, CARB adopted a regulation to reduce greenhouse gas emissions by improving the fuel efficiency of heavy-duty tractors that pull 53-foot or longer box-type trailers. The regulation applies primarily to owners of 53-foot or longer box-type trailers, including both dry-van and refrigerated-van trailers, and owners of the heavy-duty tractors that pull them on California highways. CARB's Heavy-Duty (Tractor-Trailer) Greenhouse Gas Regulation is available at: https://www.arb.ca.gov/cc/hdghg/hdghg.htm.

⁴ The PSIP program requires that diesel and bus fleet owners conduct annual smoke opacity inspections of their vehicles and repair those with excessive smoke emissions to ensure compliance. CARB's PSIP program is available at: https://www.arb.ca.gov/enf/hdvip/hdvip.htm.

^{5.} The regulation requires that 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. CARB's Statewide Truck and Bus Regulation is available at: https://www.arb.ca.gov/msprog/onrdiesel/onrdiesel.htm.