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Governor's Office of Planning & Research

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STATE CLEARING HOUSE

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Submitted via email: twheeler@rivco.org

Dear Tim Wheeler:

Thank you for providing the California Air Resources Board (CARB) with the opportunity to comment on the Oleander Business Park Project (Project) Draft Environmental Impact Report (DEIR), State Clearinghouse No. 2019060002. The Project consists of the construction and operation of two warehouse buildings totaling approximately 710,736 square feet. Once in operation, the Project would introduce 1,366 daily vehicle trips, including 376 daily heavy-duty truck trips, along local roadways. The Project is located within an unincorporated area of Riverside County (County), California, which is the lead agency for California Environmental Quality Act (CEQA) purposes.

CARB submitted a comment letter, which is attached to this letter, on the Notice of Preparation (NOP) for the DEIR released in June 2019. CARB's June 2019 comments highlighted the need for preparing a health risk assessment (HRA) for the Project and encouraged the County and applicant to implement all existing and emerging zero-emission technologies to minimize exposure to diesel particulate matter (diesel PM) and nitrogen oxides (NO<sub>x</sub>) emissions for all neighboring communities, and to minimize the greenhouse gases that contribute to climate change. Furthermore, CARB's comments emphasized the potential cumulative health impacts that would result, should the County allow the construction of the proposed industrial buildings near communities that score within the top 5 percent of the census tracts, as analyzed by the California Communities Environmental Health Screening Tool Version 3.0 (CalEnviroScreen).<sup>1</sup> CARB has reviewed the DEIR and has the following concerns:

## I. The Final Environmental Impact Report Should Restrict the Operation of Transport Refrigeration Units Within the Project Area

Chapter 2.0 (Introduction) of the DEIR states that cold storage uses are not proposed as part of the Project. The DEIR further states that the County may require additional environmental analysis should future development proposals for the Project site differ

 <sup>&</sup>quot;CalEnviroScreen 3.0." California Office of Environmental Health Hazard Assessment, June 2018, https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30.

substantively from what is proposed under the DEIR. Should the Project include cold storage uses, residences near the Project site could be exposed to significantly higher levels of toxic diesel PM and NO<sub>x</sub>, and greenhouse gases than trucks and trailers without TRUs. To ensure TRUs will not operate within the Project site without first quantifying and mitigating their potential impacts, CARB urges the County to include one of the following design measures in the Final Environmental Impact Report (FEIR):

- 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 County later chooses to allow TRUs to operate within the Project site, CARB urges the County to re-model the Project's air quality impact analysis and health risk assessment (HRA) to account for potential health risks. The updated air quality impact analysis and HRA should include the following air pollutant emission reduction measures:

- Include contractual language in tenant lease agreements that requires all loading/unloading docks and trailer spaces be equipped with electrical hookups for trucks with 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.<sup>2</sup>
- Include contractual language in tenant lease agreements that requires all TRUs entering the project site be plug-in capable.

# II. The DEIR Does Not Include all Feasible Mitigation Measures to Reduce the Project's Significant and Unavoidable Impact on Air Quality

The DEIR includes a list of four mitigation measures (4.2.1 through 4.2.4) to reduce the Project's significant impact on air quality. These mitigation measures include requiring truck drivers to turn off their engines when not in use, restricting idling to no more than five minutes, and installing electrical infrastructure to support electric-vehicle charging stations. Although these mitigation measures would reduce the Project's air pollutant emissions, the DEIR concludes that the Project's impact on air quality would remain

<sup>&</sup>lt;sup>2.</sup> 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.

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significant after mitigation. Even where impacts will remain significant and unavoidable after mitigation, CEQA requires that all feasible mitigation measures be incorporated (see California Public Resources Code§ 21081; 14 CCR§ 15126.2(b)). To meet this requirement, the County should implement all applicable air pollutant emission reduction measures referenced in CARB's June 24, 2019 comment letter on the DEIR's NOP. These air pollutant emission reduction measures are listed in the attached letter.

#### III. Conclusion

CARB is concerned about the potential public health impacts should the County approve the Project. As concluded in chapter 4.2 (Air Quality) of the DEIR, the Project's operation would expose residences to  $NO_x$  emissions that would result in a significant and unavoidable impact on air quality. To reduce the Project's impact on public health, CARB urges the County to implement all applicable mitigation measures listed in the attached letter dated June 24, 2019.

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 DEIR for the Project and can provide assistance on zero-emission technologies and emission reduction strategies, as needed. If you have questions, please contact Stanley Armstrong, Air Pollution Specialist, via email at stanley.armstrong@arb.ca.gov.

Sincerely,

Richard Boyd

**Assistant Division Chief** 

Richard By

Transportation and Toxics Division

Attachment

cc: See next page.

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### **ATTACHMENT A**



June 24, 2019

Tim Wheeler
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4080 Lemon Street, 12<sup>th</sup> Floor
Riverside, California 91764

#### Dear Tim Wheeler:

Thank you for providing California Air Resources Board (CARB) staff the opportunity to comment on the Notice of Preparation (NOP) for the Oleander Business Park Project (Project) Draft Environmental Impact Report (DEIR), State Clearinghouse No. 2019060002. The Project consists of the construction and operation of two warehouse buildings totaling approximately 710,736 square feet within an unincorporated area of Riverside County (County), California, which is the lead agency for California Environmental Quality Act (CEQA) purposes.

CARB staff is concerned about the air pollution and health risk impacts that would result should the County approve the Project to build two warehouse buildings. Freight facilities, such as warehouse and distribution facilities, can result in high daily volumes of heavy-duty diesel truck traffic and operation of onsite equipment (e.g., forklifts, yard tractors) that emit toxic diesel emissions, and contribute to regional air pollution and global climate change.

Existing residences are located west, southwest and south of the Project site, with the closest residences situated approximately 1,460 feet from the Project's southwestern boundary. In addition to residences, there are two elementary schools (Mead Valley Elementary School and Manuel L. Real Elementary School), a middle school (Tomas Rivera Middle School) and a high school (Val Verde High School) located within two miles of the Project. The communities near the Project are surrounded by existing toxic diesel emission sources, which include existing warehouses and other industrial uses, vehicular traffic along Interstate 215 (I-215), as well as aircraft operations at the March Air Reserve Base. Due to the Project's proximity to residences and schools already disproportionately burdened by multiple sources of pollution, CARB staff is concerned with the potential cumulative health impacts associated with the construction and operation of the Project.

The State of California has placed additional emphasis on 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). AB 617 is a significant piece of air quality legislation that highlights the need for further emission reductions in communities with high exposure burdens, like those in which the Project is located. Diesel emissions generated during the construction and operation of the Project would negatively impact the community, which is already disproportionally impacted by air pollution from existing freight facilities.

Through its authority under Health and Safety Code, section 39711, 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). Communities that score within the top 25 percent of the census tracts are exposed to higher concentrations of air pollutants and have a higher Pollution Burden. 1 CalEnviroScreen uses a screening methodology to help identify California communities currently disproportionately burdened by multiple sources of pollution. According to CalEnviroScreen, communities near the Project score within the top 5 percent of the census tracts. Therefore, CARB urges the County to ensure that the Project does not adversely impact neighboring disadvantaged communities.

The NOP does not state whether the industrial uses proposed under the Project would include cold storage. The operation of cold storage warehouses would include trucks with transport refrigeration units (TRU) that emit significantly higher levels of toxic diesel emissions, oxides of nitrogen (NO<sub>x</sub>), and greenhouse gases than trucks without TRUs. Since it is unclear whether the Project would include cold storage warehouse space, any modeling done in support of the air quality analysis of the DEIR and associated health risk assessment (HRA) should assume that a conservative percentage of the truck and trailer fleet that would be serving the Project are equipped with TRUs.

In addition to the health risk 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

<sup>&</sup>lt;sup>1</sup> Pollution Burden represents the potential exposures to pollutants and the adverse environmental conditions caused by pollution.

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),<sup>2</sup> and the South Coast Air Quality Management District's CEQA Air Quality Handbook.<sup>3</sup> 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 NO<sub>x</sub> and diesel emission exposure to all neighboring communities, as well as the greenhouse gases that contribute to climate change. CARB encourages the County 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.

The HRA should evaluate and present the existing baseline (current conditions), future baseline (full build-out year, without the Project), 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 county planners will have a complete understanding of the potential health impacts that would result from the Project.

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

<sup>&</sup>lt;sup>3</sup> SCAQMD's 1993 Handbook can be found at http://www.aqmd.gov/home/rules-compliance/ceqa/air-quality-analysis-handbook

CARB staff 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 Boys

Transportation and Toxics Division

Attachment

cc: See next page.

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#### ATTACHMENT A

## Recommended Air Pollution Emission Reduction Measures for Warehouses and Distribution Centers

California Air Resources Board (CARB) staff 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 recommend by CARB staff, 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.
- 2. Implement, and plan accordingly for, the necessary infrastructure to support the zero and near-zero emission technology vehicles and equipment that will be operating onsite. Necessary infrastructure may include the physical (e.g., needed footprint), energy, and fueling infrastructure for construction equipment, onsite 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<sub>x</sub> standard starting in the year 2022.<sup>1</sup>

 $<sup>^1</sup>$  In 2013, CARB adopted optional low-NO $_x$  emission standards for on-road heavy-duty engines. CARB staff 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 years 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 onsite.
- 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 lease agreements.<sup>2</sup>
- 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.
- 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 today, expedite a transition to zero-emission vehicles, and be fully zero-emission beginning in 2030.

<sup>&</sup>lt;sup>2</sup> 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 <a href="https://www.arb.ca.gov/msprog/tech/techreport/tru\_07292015.pdf">https://www.arb.ca.gov/msprog/tech/techreport/tru\_07292015.pdf</a>.

- 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,<sup>3</sup> Periodic Smoke Inspection Program (PSIP),<sup>4</sup> and the Statewide Truck and Bus Regulation.<sup>5</sup>
- 9. Include contractual language in tenant lease agreements restricting trucks and support equipment from idling longer than five minutes while onsite.
- 10. Include contractual language in tenant lease agreements that limits onsite 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.

<sup>&</sup>lt;sup>3</sup> 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.

<sup>&</sup>lt;sup>4</sup> 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.

<sup>&</sup>lt;sup>5</sup> The regulation requires newer heavier trucks and buses must meet particulate matter (PM) filter requirements beginning January 1, 2012. Lighter and older heavier trucks 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.