

January 23, 2018

Mr. Oliver Netburn
City Planner
City Planning Department
City of Los Angeles
200 North Springs Street, Room 750
Los Angeles, California 90012

Dear Mr. Netburn:

Thank you for providing the California Air Resources Board (CARB) staff the opportunity to comment on the Initial Study and Mitigated Negative Declaration (IS/MND) for the proposed Southbay Distribution Center, Env-2017-1015-MND (Project), located at 15116-15216 South Vermont Avenue and 747-761 West Redondo Beach Boulevard in the City of Los Angeles.

The proposed Project consists of construction and operation of a 466,402 square-foot, 54-foot tall, high-cube warehouse/distribution facility on an approximately 16-acre site. The City of Los Angeles (Lead Agency) has prepared an IS/MND to assess the proposed Project's potential effects on the environment and the significance of those effects. Based on the IS/MND, the Lead Agency has determined that the proposed Project will not cause significant effects on the environment after implementation of the mitigation measures.

CARB staff has concerns with these findings. Specifically, CARB staff does not agree that the proposed mitigation measures can achieve the reported oxides of nitrogen (NO_x) reductions that result in emissions below the threshold of significance. Furthermore, because the future tenant of the facility is unknown, the IS/MND is prepared with the appropriate assumption that the facility could be utilized as a cold storage warehouse. However, given that the air quality analysis did not include emissions from the diesel-fueled transport refrigeration units (TRU) commonly in-use at cold storage warehouses, this analysis significantly underestimates the potential emissions of NO_x, toxic diesel particulate matter, and greenhouse gases. In this case, the IS/MND fails to adequately study the air quality impacts from the proposed Project. Without proper analysis, it is impossible to understand the proposed Project's air quality impacts and the resulting health risk to the nearby community. The Lead Agency must properly account for all sources that may contribute to operational emissions, and clearly articulate the foundation and calculations used to assess the effectiveness of mitigation measures. The end result is likely to be that the proposed project would cause significant air quality impacts, meriting a full environmental analysis.

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The adequacy of an IS/MND is reviewed under the “fair argument” standard. Under this standard, a negative declaration is invalid if there is substantial evidence in the record supporting a fair argument that a project may have a significant effect on the environment. (*Gentry v. City of Murrieta* (1995) 36 Cal.App.4th 1359, 1399.)

An IS/MND is also invalid if a lead agency does not undertake a fact-based investigation of a project’s potential environmental impacts. The California Environmental Quality Act (CEQA) places the burden of environmental investigation on the public agency rather than on the public. If a lead agency does not fully evaluate a project’s environmental consequences, it cannot support a decision to adopt a negative declaration by asserting that the record contains no substantial evidence of a significant adverse environmental impact. (*Sundstrom v. County of Mendocino* (1988) 202 Cal.App.3d 296, 311.) If a lead agency does not study a potential environmental impact, a reviewing court may find the existence of a fair argument of a significant impact based on limited facts in the record that might otherwise not be sufficient to support a fair argument of a significant impact. (*Sundstrom v. County of Mendocino* (1988) 202 Cal.App.3d 296, 311.)

The State of California has recently 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 the most significant piece of air quality legislation in decades and highlights the need for further emission reductions in communities with high exposure burdens, like those near the proposed Project. The proposed Project is located within a designated disadvantaged community, as defined by the California Environmental Protection Agency (CalEPA). CalEPA defines a disadvantaged community 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). CalEnviroScreen uses a quantitative method to evaluate multiple pollution sources and stressors, and vulnerability to pollution, in California’s approximately 8,000 census tracts.

CARB staff also recommends that the Lead Agency utilize all existing and emerging zero-emission technologies that minimize diesel particulate matter exposure to the neighboring communities. Given the proximity of the proposed Project to residences, the Amestoy Elementary School, and the Rosecrans Recreational Center, we urge you to ensure that the community is not adversely impacted by the proposed Project. The latest health science tells us that we must be even more vigilant to protect children, who experience higher doses and are more sensitive to air pollution than previously understood.

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Furthermore, the Lead Agency should revise the air quality and health analysis and recirculate the IS/MND for public review with full documentation of all assumptions and calculations so that the public can understand the proposed mitigation measures and their effectiveness.

Should the results of the recommended revised analysis remain above a threshold of significance with mitigation, the Lead Agency should prepare and circulate a draft Environmental Impact Report for public review. Please see the attached comments for further details.

CARB staff appreciates the opportunity to comment on the IS/MND for the proposed Project and is able to provide assistance on zero and near-zero technologies and emission reduction strategies, as needed. Please include CARB on your State Clearinghouse list of selected State agencies that will receive the Final MND or the Draft EIR, if required.

If you have questions, please contact Robbie Morris, Air Pollution Specialist, at (916) 327-0006 or via email at robbie.morris@arb.ca.gov. You may also contact me at (916) 322-8285 or via email at richard.boyd@arb.ca.gov.

Sincerely,



Richard Boyd, Chief
Risk Reduction Branch
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Attachment

cc: See next page.

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cc: Morgan Capilla
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ATTACHMENT

California Air Resources Board Staff Comments on Initial Study and Mitigated Negative Declaration for the Proposed Southbay Distribution Facility

Project Description

The proposed Project consists of construction and operation of a 466,402 square foot, 54-foot tall, high-cube warehouse/distribution center on a 16-acre site. The facility design includes 246 automobile parking spaces, 70 dock doors, 24 bicycle parking spaces, and 76,000 square feet of landscaping surrounded by mixed land uses consisting of an adjacent recreational center, an elementary school, a nursing home, a senior retirement home, and light industrial/commercial properties. Construction is estimated to begin in 2018 for a nine-month period, with operations to commence in 2019. The future tenant of the proposed facility is currently unknown, therefore the operation assumptions are speculative. Because the future tenant is unknown, the IS/MND is prepared with the appropriate assumption that the facility would be utilized as cold storage warehouse, which would have greater air quality impacts than one without cold storage operations. To estimate the vehicle trips that would visit the proposed facility, the IS/MND includes a trip generation analysis prepared using the recommendations of the City of Fontana Truck Trip Generation Study (August 2003), which concluded that 338 trucks per day would arrive and depart from the proposed facility.

Results of the Air Quality and Health Risk Analysis (HRA)

The Air Quality and HRA Impact Analysis (Report) concluded that construction impacts for air quality are below thresholds of significance. However, for operational impacts, the Report found that a potentially significant regional air quality impact could occur from the proposed Project and therefore mitigation measures are required to reduce the proposed Project's operational emissions. Specifically, NO_x, primarily from mobile sources, exceeded the threshold of significance. Therefore, the Lead Agency incorporated two mitigation measures, described below, to reduce NO_x emissions below the significance threshold. However, the mitigation measures lack details regarding implementation and enforceability, nor are the emission reductions quantified. The Lead Agency should revise the Report to include these details as described in the mitigation measures below.

Furthermore, the Report is prepared assuming the proposed Project includes operations of a cold storage warehouse facility; however, the reported modeling assumptions significantly underestimate air quality and health impacts because they do not include emissions associated with diesel-fueled TRUs, typically used on delivery trucks and trailers. CARB staff estimates that NO_x emissions from TRUs associated with an estimated 391 truck trips per day (High-Cube Warehouse Vehicle Trip Generation, prepared by the Institute of Traffic Engineers, October 2016) to a cold storage facility

could be 65 pounds per day or more. CARB staff finds that the reported 338 truck trips per day are underestimated. Table 12 from the Report indicates that mitigated NOx emissions (approximately 49 pounds per day) are below the South Coast Air Quality Management District's (SCAQMD) threshold. Therefore, total pounds per day of NOx from all mobile sources would significantly exceed SCAQMD's threshold of 55 pounds per day.

With respect to health risk, the HRA concluded that health impacts are below the threshold of significance at 5.8 in a million. Given the HRA did not include emissions from TRUs and the estimated reported truck trips are underestimated, the results of the HRA are underestimated. The Lead Agency should revise the HRA. If the results are above SCAQMD's threshold of 10 in a million, the Lead Agency should include mitigation measures that are quantifiable and enforceable.

Project Design and Mitigation Measures

Pursuant to the California Environmental Quality Act (CEQA), (See Cal. Pub. Resources Code § 21081; Title 14 CCR § 15126.4.) to be adequate, mitigation measures should be specific, feasible actions that will reduce or avoid significant adverse environmental impacts, and must be enforceable and measurable. For each of the mitigation measures, the Lead Agency should identify measurable performance standards by which the success of the mitigation can be determined, as well as the relevant methods for monitoring that success.

- 1) Page 60 of the Report indicates that with the incorporation of two mitigation measures, *Improved Destination Accessibility (LUT-4)* and *Increase Transit Accessibility (LUT-5)*, operations would not exceed SCAQMD's threshold for NOx. The Lead Agency did not provide relevant details on how these measures will be implemented and enforced nor are the mitigation measures adequately quantified. CARB staff believes the emission reductions for each mitigation measure are overestimated and recommends that the Lead Agency revise these mitigations to include appropriate quantification, enforceability, and applicable variables for each measure. Should the revised analysis find that NOx remains above SCAQMD's threshold, the Lead Agency should include further mitigation. If this mitigation cannot reduce the impacts below the threshold of significance, the Lead Agency should prepare a draft Environmental Impact Report for public review.
- 2) The proposed Project design should include sufficient plug-in capabilities for TRUs to eliminate the amount of time that a transport refrigeration system powered by a fossil-fueled internal combustion engine can operate at the proposed Project site. CARB staff is developing a regulation that would limit the amount of time a TRU can idle while at a cold storage facility. Use of zero-emission all-electric plug-in transport refrigeration systems, hydrogen fuel cell transport refrigeration, and cryogenic transport refrigeration is encouraged. CARB's Technology Assessment for Transport Refrigerators provides information

on the current and projected development of cleaner TRU technologies, including current and anticipated costs. This assessment is available at https://www.arb.ca.gov/msprog/tech/techreport/tru_07292015.pdf. Information regarding the cold storage regulation and potential funding opportunities is available at <https://www.arb.ca.gov/cc/cold-storage/cold-storage.htm>.

- 3) The Lead Agency should require that all medium-heavy and heavy-heavy duty trucks entering the proposed Project site during operations or construction meet or exceed the 2010 emission standards, in advance of the Statewide requirement in 2023. Furthermore, the Lead Agency should support the deployment of zero and near-zero technologies including utilizing zero-emission (such as battery-electric or fuel-cell electric) forklifts, and battery-electric and hybrid-electric trucks to the fullest extent feasible.
- 4) The proposed Project design should include the necessary infrastructure (e.g., physical siting, energy, and fueling) to support the deployment of zero-emission technologies, now and in the future, including electric charging and/or hydrogen fueling infrastructure. These technologies are commercially available today. Additional advancements, especially for on-road trucks, are expected in the next three to five years. CARB's Technology and Fuels Assessments provide information on the current and projected development of mobile source technologies and fuels, including current and anticipated costs at widespread deployment. This assessment can be found at <http://www.arb.ca.gov/msprog/tech/tech.htm>.
- 5) The Lead Agency should coordinate and consult with the local community on construction and operations related to vehicle circulation. Furthermore, the Lead Agency should utilize a Project design that is least impactful to surrounding communities, such as limiting overnight parking on neighborhood streets, limiting queuing near residences, and locating site entrances and exits of the facility away from residences.
- 6) During construction activities, the Lead Agency should require that all off-road construction equipment accessing the site meet Tier 4 emission standards. Other practices that reduce emissions during construction should be utilized. These include eliminating idling of diesel-powered equipment, requiring the use of zero and near-zero emission equipment and tools, and providing the necessary infrastructure (e.g. electric hookups), to support that equipment. In addition, the Lead Agency should require that all construction fleets comply with all current air quality regulations.

Comments to Improve the Technical Analysis

- 1) The modeling assumptions included in the Report were based on truck idling emissions for sources at five locations. The Lead Agency should revise this analysis to appropriately model the entire span of the 70 dock doors as an area

source. As previously discussed, the modeling assumptions should also include TRUs, which will significantly increase the projected emissions of NOx and PM2.5, and potentially exceed SCAQMD's thresholds.

- 2) As stated above, the truck trip generation value of 338 truck trips per day is estimated using the City of Fontana Truck Trip Generation Study (August 2003). The Lead Agency should revise the Report using the High-Cube Warehouse Vehicle Trip Generation Analysis, prepared by the Institute of Traffic Engineers (October 2016).