



South Coast Air Quality Management District

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SENT VIA E-MAIL:

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Notice of Intent to Adopt a Mitigated Negative Declaration for the 956 Seward Project (Proposed Project)

South Coast Air Quality Management District (South Coast AQMD) staff appreciate the opportunity to review the above-mentioned document. The City of Los Angeles is the California Environmental Quality Act (CEQA) Lead Agency for the Proposed Project. To provide context, South Coast AQMD staff has provided a brief summary of the project information and prepared the following comments which are organized by topic of concern.

South Coast AQMD Staff's Summary of Project Information in the MND

Based on the MND, the Proposed Project is comprised of demolishing an existing approximately 40,000 square feet film storage building and its associated parking lot and truck rental business and constructing a 168,478 square feet seven-story storage building.¹ Based on a review of aerial photographs, South Coast AQMD staff found that the nearest sensitive receptor (e.g., five-story single-family and multifamily residential uses) is located east of the project site.² Construction is expected to begin in the first quarter of 2025 and end in 2026. The Proposed Project is expected to be operational in the first quarter of 2027. The Proposed Project is located at 936-962 North Seward Street and 949-959 North Hudson Avenue in the City of Los Angeles.³

South Coast AQMD Staff's Comments

Warehouse Cold Storage Land Use and the Associated Emissions from Transport Refrigeration Units (TRU)

The project description in the MND document does not specify whether the Proposed Project includes allocating warehouse land for cold storage. However, in the Air Quality Assessment, Appendix A, the land use subtype is specified as Refrigerated warehouse, no rail. Cold storage warehouses typically utilize more trucks and trailers equipped with TRUs compared to those without cold storage. Therefore, it is recommended that the Lead Agency revise the project description in the Final MND to clarify if cold storage would be a part of the Proposed Project, and additionally, the Final MND should provide an estimate for the number of TRU trucks and trailers that would be involved in the operation of the warehouses with cold storage. If TRUs are

¹ Initial Study. Page 1.

² *Ibid.* Page 15.

³ *Ibid.* Page 1.

planned to be used, the Lead Agency should also update the emissions calculations in the Final MND to include the emissions from the TRUs in addition to the those from truck operation.

Health Risk Assessment (HRA) during Project Operation

In accordance with the CEQA Guidelines Section 15071(c), the lead agency is required to ensure that the Proposed Project does not have significant impacts on the environment or human health. This involves providing detailed reasons to support their findings and, where necessary, implementing mitigation measures. Under CEQA, an impact is considered significant if it causes a “substantial, or potentially substantial, adverse change in the environment.” In addition to air quality impacts from the criteria air pollutants and greenhouse gases, adverse air quality health risk impacts associated with increased emissions of toxic air contaminants (TACs) from all sources (including but not limited to expected future permitted stationary and portable sources, mobile sources, and other emission sources) during the operation phases need to be appropriately evaluated using qualitative and/or quantitative approaches to justify whether there will be potentially substantial adverse impacts.

However, the MND for the Proposed Project does not include a comprehensive assessment of the health risk associated with mobile, stationary and portable sources during the operation phase. Please refer to the South Coast AQMD’s guidance for performing a mobile source health risk assessment.⁴ As a result, the potential cancer risk linked to the Proposed Project is unknown and undisclosed. This omission is concerning because the operation of the 956 Seward Project is expected to involve various diesel-powered stationary and portable sources, as well as vehicles that emit Diesel Particulate Matter (DPM), known as an air toxic and carcinogen.

As mentioned earlier in this letter, the aerial maps indicate that the nearest sensitive receptor, a residential area, is located adjacent to or within 50 feet east of the Proposed Project site. Given this proximity, it is recommended that the Lead Agency conduct an operational phase HRA, which should include evaluating truck emissions (including the truck routes to and from the site, truck loading/unloading docks, and their proximity to the sensitive receptors) and the impact of diesel-powered stationary and portable sources under the foreseeable probable future conditions. Conducting an HRA is essential to determine the potential cancer risk impacts from operation of the Proposed Project to the offsite sensitive receptors and workers, which can then be compared to the South Coast AQMD Air Quality Significance Thresholds for TACs⁵ to assess whether there will be a potentially significant air quality impact. The analysis should also disclose the potential health risks for chronic and acute impacts of the Proposed Project’s operation on residents living and/or workers working outside the Proposed Project’s boundary in the Revised MND or Final MND.

South Coast AQMD Air Permits and Role as a Responsible Agency

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, etc., air

⁴ South Coast AQMD’s guidance for performing a mobile source health risk assessment is available at: <https://www.aqmd.gov/home/rules-compliance/ceqa/air-quality-analysis-handbook/mobile-source-toxics-analysis>

⁵ South Coast AQMD Air Quality Significance Thresholds. <https://www.aqmd.gov/docs/default-source/ceqa/handbook/south-coast-aqmd-air-quality-significance-thresholds.pdf>

permits from South Coast AQMD will be required. The final CEQA document, whether a MND or EIR, should include a discussion about the potentially applicable rules that the Proposed Project needs to comply with. Those rules may include, for example, Rule 201 – Permit to Construct,⁶ Rule 203 – Permit to Operate,⁷ Rule 401 – Visible Emissions,⁸ Rule 402 – Nuisance,⁹ Rule 403 – Fugitive Dust,¹⁰ Rule 1110.2 – Emissions from Gaseous and Liquid Fueled Engines,¹¹ Rule 1113 – Architectural Coating,¹² Rule 1166 – VOC Contaminated Soil Excavation,¹³ Rule 1179 – Publicly Owned Treatment Works Operation,¹⁴ Regulation XIII – New Source Review,¹⁵ Rule 1401 – Air Toxics,¹⁶ Rule 1466 – Control of Particulate Emissions from Soils with Toxic Air Contaminants,¹⁷ Rule 1470 – Requirements for Stationary Diesel Fueled Internal Combustion and Other Compression Ignition Engines,¹⁸ etc. It is important to note that when air permits from South Coast AQMD are required, the role of South Coast AQMD would change from a Commenting Agency to a Responsible Agency under CEQA. In addition, if South Coast AQMD is identified as a Responsible Agency, per CEQA Guidelines Sections 15086, the Lead Agency is required to consult with South Coast AQMD.

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 the process for conducting a review of the Proposed Project and issuing discretionary approvals. Moreover, it is important to note that if a Responsible Agency determines that a CEQA document is not adequate to rely upon for its discretionary approvals, the Responsible Agency must take further actions listed in CEQA Guideline Section 15096(e), which could have the effect of delaying the implementation of the Proposed Project. In its role as CEQA Responsible Agency, the South Coast AQMD is obligated to ensure that the CEQA document prepared for this Proposed Project contains a sufficient project description and analysis to be relied upon in order to issue any discretionary approvals that may be needed for air permits. South Coast

⁶ South Coast AQMD. Rule 201 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-201.pdf>

⁷ South Coast AQMD. Rule 203 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-203.pdf>

⁸ South Coast AQMD. Rule 401 available at <https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-401.pdf>

⁹ South Coast AQMD. Rule 402 available at <https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-402.pdf>

¹⁰ South Coast AQMD. Rule 403 available at <https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-403>

¹¹ South Coast AQMD. Rule 1110.2 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1110.2.pdf>

¹² South Coast AQMD. Rule 1113 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1113.pdf>

¹³ South Coast AQMD. Rule 1166 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1166.pdf>

¹⁴ South Coast AQMD. Rule 1179 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1179.pdf>

¹⁵ South Coast AQMD. Regulation XIII available at <https://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/regulation-xiii>

¹⁶ South Coast AQMD. Rule 1401 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1401.pdf>

¹⁷ South Coast AQMD. Rule 1466 available <https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1466.pdf>

¹⁸ South Coast AQMD. Rule 1470 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1470.pdf>

AQMD is concerned that the project description and analysis in its current form in the MND is inadequate to be relied upon for this purpose.

For these reasons, the final CEQA document should be revised to include a discussion about any and all new stationary and portable equipment requiring South Coast AQMD air permits, provide the evaluation of their air quality and greenhouse gas impacts, and identify South Coast AQMD as a Responsible Agency for the Proposed Project as this information will be relied upon as the basis for the permit conditions and emission limits for the air permit(s). Please contact South Coast AQMD's Engineering and Permitting staff at (909) 396-3385 for questions regarding what types of equipment would require air permits. For more general information on permits, please visit South Coast AQMD's webpage at <https://www.aqmd.gov/home/permits>.

Conclusion

The Lead Agency is recommended to revise the CEQA analysis to address the aforementioned comments and provide the necessary evidence to sufficiently support the conclusions reached. If the requested information and analysis are not included in the final CEQA document, either the Final MND or other type of CEQA document, the Lead Agency should provide reasons for not doing so. Pursuant to California Public Resources Code Section 21092.5(b) and CEQA Guidelines Section 15074, prior to approving the Proposed Project, the Lead Agency shall consider the MND for adoption together with any comments received during the public review process and notify each public agency when any public hearings are scheduled. Please provide South Coast AQMD with written responses to all comments contained herein prior to the adoption of the Final MND. When responding to issues raised in the comments, detailed reasons supported by substantial evidence in the record to explain why specific comments and suggestions are not accepted must be provided. In addition, if the Lead Agency decides to adopt the Final MND, please provide South Coast AQMD with a notice of any scheduled public hearing(s).

Thank you for the opportunity to provide comments. South Coast AQMD staff is available to work with the Lead Agency to address any air quality questions that may arise from this comment letter. Please contact Sahar Ghadimi, Air Quality Specialist, at sghadimi@aqmd.gov should you have any questions.

Sincerely,

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