



South Coast Air Quality Management District

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SENT VIA E-MAIL:

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**Draft Environmental Impact Report (Draft EIR) for the Proposed
Euclid Mixed Use Specific Plan PSP22-001 (Proposed Project)
(SCH No. 2023020281)**

The South Coast Air Quality Management District (South Coast AQMD) staff appreciates the opportunity to comment on the above-mentioned document. The City of Ontario 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 organized by topic of concern.

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

Based on the Draft EIR, the Proposed Project comprises 18 existing parcels totaling 84.1 acres,¹ allowing for a business park and mixed-use development.² The Proposed Project would develop up to 1) 290,110 square feet (sf) of commercial retail/office uses, 2) up to 466 residential units, and 3) 1,386,777 sf of business park uses and associated on-site and off-site infrastructure improvements.³ The Proposed Project is anticipated to be developed in two phases within five planning areas (PAs).⁴ Phase I would consist of PAs 1, 2A, and 3A with construction of 13 buildings up to 1,473,026 sf (maximum development allowed).⁵ Phase II comprises PAs 2B and 3B with potential future development, as specific development proposals have not yet been identified.⁶ Phase I would include 809,217 sf of unrefrigerated warehouse and 191,378 sf of industrial business park.⁷ On the other hand, Phase II would consist of 466 dwelling units apartments, 163,000 sf of unrefrigerated warehouse, 10,225 sf of strip mall, 10,000 sf of fast food restaurant with drive-thru, and 10,000 sf of fast food restaurant without drive-thru.⁸ Phase I is expected to be constructed in 2024, with an anticipated opening year in 2032.⁹ After reviewing aerial photographs of the site, South Coast AQMD staff found that the nearest sensitive receptor, an existing residential development, is located within 150 feet west and southeast of the Proposed Project site.

¹ Draft EIR. Page 3-1.

² *Ibid.* Page 3-6.

³ *Ibid.*

⁴ *Ibid.*

⁵ *Ibid.*

⁶ *Ibid.* Page 3-7.

⁷ *Ibid.* Page 4.3-20.

⁸ *Ibid.* Page 4.3-24.

⁹ *Ibid.* Page 3-7.

South Coast AQMD Staff's Comments on the Draft EIR*Inconsistency in the Proposed Project's Construction Schedule*

As mentioned in Section 3 - Project Description, Phase I of the Proposed Project is expected to start in 2024 and open in 2032.¹⁰ However, Section 4.3 – Air Quality assumes the opening year of Phase I would be 2025.¹¹ In addition, the buildout of the Proposed Project is anticipated to begin in 2026.¹² The construction and operation schedule information discussed in the Draft EIR should be consistent. Therefore, the correction should be included in the Final EIR.

Potential Overlapped Construction and Operation Analysis

Based on the information discussed in Section 4.3 – Air Quality, Phase I would be open in 2025, while the buildout is expected to begin in 2026.¹³ This statement potentially leads to an expectation that Phase II would start to be constructed while Phase I is already in operation. Hence, an overlap period would occur between Phase I operation and Phase II construction prior to the full buildout. Thus, it is recommended that the air quality analysis should include the potential overlap that could occur, analyze the overlapped emissions, compare the overlapped emissions to the operational South Coast AQMD Air Quality Significance Thresholds, and determine the level of significance in the Final EIR. All feasible mitigation measures are needed to reduce the impacts if the results are significant.

Potential of Inappropriate Vehicle Fleet Mixes to Evaluate Proposed Project's Air Quality Impacts from Mobile Sources

The Proposed Project's operational emissions from mobile sources may have been underestimated due to the use of inappropriate vehicle fleet mixes in the Draft EIR. The Proposed Project generates 8,820 daily trips, with 10% being daily truck trips (882 daily truck trips).¹⁴ According to Appendix II – Traffic Analysis of the Draft EIR, trip generation is estimated using the Trip Generation Manual, 11th Edition.¹⁵ South Coast AQMD staff believes that the number of trucks assumed in the Draft EIR to serve the proposed industrial uses is too low for warehouse facilities exceeding a million square feet, as the total industrial uses of the Proposed Project is over a million square feet (refer to the Summary section of this letter). For instance, according to the Fontana Truck Trip Generation Study, 20.4% of the total daily vehicle trips from a warehouse greater than 100,000 square feet would consist of trucks.¹⁶ This study is based on traffic counts from warehouses. Thus, re-evaluating the Proposed Project's air quality impacts, assuming a conservative fleet mix supported by substantial evidence is recommended.

¹⁰ *Ibid.*

¹¹ *Ibid.* Page 4.3-14.

¹² *Ibid.*

¹³ *Ibid.*

¹⁴ *Ibid.* Table 4-2. Appendix II – Traffic Analysis. Page 32.

¹⁵ *Ibid.* Appendix II – Traffic Analysis. Page 28.

¹⁶ City of Fontana. Truck Trip Generation Study. Available at:

<https://tampabayfreight.com/pdfs/Freight%20Library/Fontana%20Truck%20Generation%20Study.pdf>

*Potential Underestimation of Emissions Due to Imprecise Assumptions for
Truck Trip Lengths in Emissions Analysis*

The Draft EIR for the Proposed Project states that “*all truck trips were assumed to be 33.2 miles, one way.*” However, it is crucial to note that the Proposed Project site is approximately 55 miles (one-way) from the Ports of Los Angeles or Port of Long Beach. This implies that the air quality analysis might have underestimated the emissions from trucks traveling from the Ports to the Proposed Project site. Revising the analysis in the Draft EIR is essential to rely on more conservative trip lengths designated for Port trips. Customizing these parameters and assumptions based on project-specific data will ensure a more accurate assessment of emissions, accounting for the unique circumstances and logistical realities of the Proposed Project.

Health Risk Assessment (HRA) During Operation

The South Coast AQMD Modeling Guidance for AERMOD¹⁷ is recommended to be used as the guidance for the HRA modeling. South Coast AQMD staff’s review of the modeling files noted that industrial buildings were not included in the building downwash option in the AERMOD dispersion model during operation, which resulted in an underestimation of the ground-level pollutant concentrations near the buildings. Thus, the Lead Agency is recommended to re-run the operational HRAs, including the industrial buildings in the building downwash, to analyze ground-level concentrations more accurately and include the results in the Final EIR.

Emission Reductions from Health Risk Strategies

When certifying an EIR for a project, retain the authority to include any additional information deemed relevant to assessing and mitigating the environmental impacts. South Coast AQMD is concerned about the potential public health impacts of sitting sensitive populations within the proximity of existing air pollution sources (e.g., freeways and railroads). For this reason, prior to approving future development projects, the Lead Agency is recommended to consider the impacts of air pollutants on people who will live in a new project and provide effective mitigation. Additionally, South Coast AQMD suggests that the Lead Agency review and apply the guidance provided in 1) the California Air Resources Board (CARB) Air Quality Land Use and Handbook: A Community Health Perspective,¹⁸ which provides criteria for evaluating and reducing air pollution impacts associated with new projects involving land use decisions; and 2) CARB’s technical advisory which contains strategies to reduce air pollution exposure near high-volume roadways.¹⁹

Many strategies are available for residential receptors to reduce being exposed to particulate matter, including, but not limited to, HVAC systems equipped with filters rated at a minimum efficiency reporting value (MERV) 13 or higher air filtration capabilities. In some cases, MERV 15 or better is recommended for building design, orientation, location, vegetation barriers,

¹⁷ South Coast AQMD Modeling Guidance for AERMOD. Available at: <http://www.aqmd.gov/home/air-quality/meteorological-data/modeling-guidance>.

¹⁸ California Air Resources Board (CARB), Air Quality Land Use and Handbook: A Community Health Perspective, April 2005. Available at: https://ww2.arb.ca.gov/sites/default/files/2023-05/Land%20Use%20Handbook_0.pdf

¹⁹ CARB’s Strategies to Reduce Air Pollution Exposure Near High-Volume Roadways. Available at: https://ww2.arb.ca.gov/sites/default/files/2017-10/rd_technical_advisory_final.pdf

landscaping screening, etc. Enhanced filtration units are capable of reducing exposure. However, enhanced filtration systems have limitations. For example, filters rated MERV 13 or higher are able to screen out greater than or equal to 50% of DPM,²⁰ but they have no ability to filter out volatile organic compound (VOC) emissions. Also, in a study that South Coast AQMD conducted to investigate filters rated at MERV 13 or better in classrooms,^{21,22} a cost burden is expected to be within the range of \$120 to \$240 per year to replace each filter panel. The initial start-up cost could substantially increase if an HVAC system needs to be installed and if standalone filter units are required. Installation costs may vary, including costs for conducting site assessments and obtaining permits and approvals before filters can be installed. Other costs may include filter life monitoring, annual maintenance, and training for conducting maintenance and reporting. In addition, the filters would not have any effect unless the HVAC system is running. Therefore, when in use, the increased energy consumption from each HVAC system should be evaluated in the Draft EIR. While the filters operate 100 percent of the time when the HVAC is in use while the residents are indoors, the environmental analysis does not generally account for the times when the residents are not using their HVAC and instead have their windows or doors open or are moving throughout the common space outdoor areas of the Proposed Project. Furthermore, when used filters are replaced with new filters, emissions associated with trucks delivering the new filters and waste disposal trucks transporting the used filters to disposal sites should be evaluated in the Draft EIR. Therefore, any presumed effectiveness and feasibility of a particular HVAC filter should be carefully evaluated in more detail based on supporting evidence before assuming they will sufficiently alleviate exposure to DPM emissions.

Additional Recommended Air Quality and Greenhouse Gases Mitigation Measures and Project Design Considerations

CEQA requires that all feasible mitigation measures that go beyond what is required by law be utilized to minimize or eliminate any significant adverse air quality impacts. To further reduce the Proposed Project's air quality impacts, and in addition to Mitigation Measures MM AQ-1 to MM AQ-8²³ and MM GHG-1.²⁴ Although with the mitigation measures discussed in the Draft EIR, the mitigated operational emissions are still significant and unavoidable for VOC and NOx compared to the South Coast AQMD Air Quality Significance Thresholds. Hence, South Coast AQMD staff recommends incorporating additional mitigation measures into the Final EIR.

Mitigation Measures for Operational Air Quality Impacts from Mobile Sources

- 1) Require zero-emissions (ZE) or near-zero emission (NZE) on-road haul trucks, such as heavy-duty trucks with natural gas engines that meet the CARB's adopted optional NOx emissions standard at 0.02 grams per brake horsepower-hour (g/bhp-hr), if and when feasible.

²⁰ U.S. EPA, "What is a MERV rating?" Available at: <https://www.epa.gov/indoor-air-quality-iaq/what-merv-rating>

²¹ South Coast AQMD, Draft Pilot Study of High-Performance Air Filtration For Classroom Applications, October 2009.

Available at: <https://www.aqmd.gov/docs/default-source/ceqa/handbook/aqmdpilotstudyfinalreport.pdf>

²² International Journal of Indoor Environment and Health, Pilot Study of High-Performance Air Filtration for Classroom Applications, November 2012. Available at: <https://onlinelibrary.wiley.com/doi/10.1111/ina.12013>

²³ *Ibid.* Pages 4.3-28 to 4.3-30 and 4.3-44.

²⁴ *Ibid.* Page 4.8-24.

Note: Given the state's clean truck rules and regulations aiming to accelerate the utilization and market penetration of ZE and NZE trucks, such as the Advanced Clean Trucks Rule and the Heavy-duty Low NOx Omnibus Regulation, ZE and NZE trucks will become increasingly more available to use.

2) Require a phase-in schedule to incentivize the use of cleaner operating trucks to reduce any significant adverse air quality impacts. Note: South Coast AQMD staff is available to discuss the availability of current and upcoming truck technologies and incentive programs with the Lead Agency.

3) At a minimum, require the use of a 2010 model year that meets CARB's 2010 engine emissions standards at 0.01 g/bhp-hr of particulate matter (PM) and 0.20 g/bhp-hr of NOx emissions or newer, cleaner trucks. All heavy-duty haul trucks should meet CARB's lowest optional low-NOx standard starting in 2022. Where appropriate, include environmental analyses to evaluate and identify sufficient electricity and supportive infrastructures in the Energy and Utilities and Service Systems Sections in the CEQA document. Include the requirements in applicable bid documents, purchase orders, and contracts. Operators shall maintain records of all trucks associated with project construction to document that each truck used meets these emission standards and make the records available for inspection. Regular inspections should be conducted by the Lead Agency to the maximum extent feasible to ensure compliance.

4) Limit the daily number of trucks allowed at the Proposed Project to levels analyzed in the Final CEQA document. If higher daily truck volumes are anticipated to visit the site, the Lead Agency should commit to re-evaluating the Proposed Project through CEQA prior to allowing this higher activity level.

5) Provide electric vehicle (EV) charging stations or, at a minimum, provide electrical infrastructure, and electrical panels should be appropriately sized. Electrical hookups should be provided for truckers to plug in any onboard auxiliary equipment.

Mitigation Measures for Operational Air Quality Impacts from Other Area Sources

- 1) Maximize the use of solar energy by installing solar energy arrays.
- 2) Use light-colored paving and roofing materials.
- 3) Utilize only Energy Star heating, cooling, and lighting devices and appliances.

Design Considerations for Reducing Air Quality and Health Risk Impacts

- 1) Clearly mark truck routes with trailblazer signs so that trucks will not travel next to or near sensitive land uses (e.g., residences, schools, daycare centers, etc.).
- 2) Design the Proposed Project such that truck entrances and exits do not face sensitive receptors and trucks will not travel past sensitive land uses to enter or leave the Proposed Project site.

- 3) Design the Proposed Project such that any truck check-in point is inside the Proposed Project site to ensure no trucks are queuing outside.
- 4) Design the Proposed Project to ensure that truck traffic inside the Proposed Project site is as far away as feasible from sensitive receptors.
- 5) Restrict overnight truck parking in sensitive land uses by providing overnight truck parking inside the Proposed Project site.

Lastly, the South Coast AQMD also suggests that the Lead Agency conduct a review of the following references and incorporate additional mitigation measures as applicable to the Proposed Project in the Final EIR:

- 1) State of California – Department of Justice: Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act²⁵
- 2) South Coast AQMD 2022 South Coast Air Quality Management Plan,²⁶ specifically:
 - a. Appendix IV-A – South Coast AQMD’s Stationary and Mobile Source Control Measures
 - b. Appendix IV-B – CARB’s Strategy for South Coast
 - c. Appendix IV-C – SCAG’s Regional Transportation Strategy and Control Measures
- 3) United States Environmental Protection Agency (U.S. EPA): Mobile Source Pollution - Environmental Justice and Transportation²⁷

South Coast AQMD Air Permits and Role as a Responsible Agency

Based on the air quality analysis in the Draft EIR, the Proposed Project would include using generators during operation. Hence, air permits from South Coast AQMD would be required. The Final EIR should include a discussion about the potentially applicable South Coast AQMD rules that may be applicable to the Proposed Project, including but not limited to Rule 201 – Permit to Construct,²⁸ Rule 203 – Permit to Operate,²⁹ Rule 401 – Visible Emissions,³⁰ Rule 402 –

²⁵ State of California – Department of Justice. Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act. Available at: <https://oag.ca.gov/system/files/media/warehouse-best-practices.pdf>

²⁶ 2022 South Coast AQMP. Available at: <http://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan>

²⁷ United States Environmental Protection Agency (U.S. EPA): Mobile Source Pollution - Environmental Justice and Transportation. Available at: <https://www.epa.gov/mobile-source-pollution/environmental-justice-and-transportation>

²⁸ South Coast AQMD Rule 201 – Permit to Construct. Available at: <https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-201.pdf>

²⁹ South Coast AQMD Rule 203 – Permit to Operate. Available at: <https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-203.pdf>

³⁰ South Coast AQMD Rule 401 – Visible Emissions. Available at: <https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-401.pdf>

Nuisance,³¹ Rule 403 – Fugitive Dust,³² Rule 1110.2 – Emissions from Gaseous and Liquid Fueled Engines,³³ Rule 1166 – VOC Contaminated Soil Excavation,³⁴ Regulation XIII – New Source Review,³⁵ Rule 1401 – Air Toxics,³⁶ Rule 1466 – Control of Particulate Emissions from Soils with Toxic Air Contaminants,³⁷ and Rule 1470 – Requirements for Stationary Diesel Fueled Internal Combustion and Other Compression Ignition Engines.³⁸ 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 AQMD is concerned that the project description and analysis in its current form in the Draft EIR is inadequate to be relied upon for this purpose.

For these reasons, the Draft EIR 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 <http://www.aqmd.gov/home/permits>.

³¹ South Coast AQMD Rule 402 – Nuisance. Available at: <https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-402.pdf>

³² South Coast AQMD Rule 403 – Fugitive Dust. Available at: <https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-403.pdf>

³³ South Coast AQMD Rule 1110.2 – Emissions from Gaseous and Liquid Fueled Engines. Available at: http://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1110_2.pdf

³⁴ South Coast AQMD Rule 1166 – VOC Contaminated Soil Excavation. Available at: <https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1166.pdf>

³⁵ South Coast AQMD Regulation XIII – New Source Review. Available at: <https://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/regulation-xiii>

³⁶ South Coast AQMD Rule 1401 – Air Toxics. Available at: <https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1401.pdf>

³⁷ South Coast AQMD Rule 1466 – Control of Particulate Emissions from Soils with Toxic Air Contaminants. Available at: <https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1466.pdf>

³⁸ South Coast AQMD Rule 1470 – Requirements for Stationary Diesel Fueled Internal Combustion and Other Compression Ignition Engines. Available at: <https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1470.pdf>

Conclusion

As set forth in California Public Resources Code Section 21092.5(a) and CEQA Guidelines Section 15088(a-b), the Lead Agency shall evaluate comments from public agencies on the environmental issues and prepare a written response at least 10 days prior to certifying the Final EIR. As such, please provide South Coast AQMD written responses to all comments contained herein at least 10 days prior to the certification of the Final EIR. In addition, as provided by CEQA Guidelines Section 15088(c), if the Lead Agency's position is at variance with recommendations provided in this comment letter, detailed reasons supported by substantial evidence in the record to explain why specific comments and suggestions are not accepted must be provided.

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 Danica Nguyen, Air Quality Specialist, at dnguyen1@aqmd.gov should you have any questions.

Sincerely,

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