



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

SENT VIA E-MAIL:

epapp@banningca.gov

Emery Papp, Senior Planner

City of Banning

99 E. Ramsey Street

Banning, CA 92220

July 19, 2024

Draft Environmental Impact Report (EIR) for the Proposed First Hathaway Logistics Project (Proposed Project) (SCH No.: 2022040441)

South Coast Air Quality Management District (South Coast AQMD) staff appreciates the opportunity to comment on the above-mentioned document. The City of Banning 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 is developing an approximately 1,420,722-square-foot warehouse building on a 72.89-acre portion of a 94.86-acre site.¹ The Proposed Project site is currently vacant and located approximately 400 feet north of Interstate I-10, 750 feet north of Union Pacific Railroad (UPRR), adjacent to the east of Hathaway Street, and south of Wilson Street.² Based on Figure 3-6: Proposed Conceptual Site Plan, the building would have a total of 228 dock doors, with 115 located on the northern side and 113 located on the southern side.³ The Proposed Project would generate 313 daily truck trips associated with the operational activities.⁴ Based on the aerial photographs, South Coast AQMD staff found that the nearest sensitive receptors (e.g., residential) are within 100 feet west of the Proposed Project site. The Proposed Project's construction would begin at the end of 2024 and be completed by mid-2026, approximately over 18 months.⁵

South Coast AQMD Staff's Comments on the Draft EIR

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

The project description in the Draft EIR does not specify whether the Proposed Project intends to include cold storage usage. Cold storage warehouses utilize more trucks and trailers equipped with TRUs than warehouses without cold storage. The small diesel engines that are commonly used to provide power to TRUs generate large quantities of diesel exhaust emissions while operating. As a result, it is recommended that the Lead Agency revise the project description in the Final EIR to clarify and explicitly state whether cold storage facilities are part of the Proposed Project and, if applicable,

¹ Draft EIR. Page 3.2-1.

² *Ibid.* Page 3.2-2.

³ *Ibid.* Page 3.2-19.

⁴ *Ibid.* Page 4.3-32.

⁵ *Ibid.* Page 3.4-28.

provide an estimate of the number of TRU trucks and trailers associated with the operation of this warehouse. If there are potential uses for TRUs, the Lead Agency is recommended to revise the calculations in the Final EIR to quantify the emissions from the TRUs in addition to the operational truck emissions.

Cumulative Impacts during Operation

CEQA Guidelines Section 15355 defines cumulative impacts as two or more individual effects which, when considered together, are considerable or which compound or increase other environmental impacts, and the individual effects may be changes resulting from a single project or a number of separate projects. In addition, CEQA Guidelines Section 15130 requires an EIR to include a discussion that examines whether a project's incremental impacts are cumulatively considerable. South Coast AQMD staff review of the Draft EIR for the Proposed Project did not appear to analyze the potential cumulative impacts from another project⁶ which is located within the vicinity of the Proposed Project and is currently undergoing a CEQA review by the Lead Agency.

Specifically, according to the City of Banning's website, this other project plans to develop approximately 1,312,285 square feet,⁷ a similar-sized warehouse that would generate 524 additional daily truck trips.⁸ If both projects are approved by the Lead Agency, the total potential cumulative effects from the additional daily diesel truck trips that would be generated from these two projects would be 837 (e.g., 313 and 524 daily truck trips associated with the Proposed Project and the other project, respectively). Moreover, these additional 837 trucks would pass by the sensitive receptors (e.g., residential on the west of Hathaway Street) daily. It is also noteworthy that UPRR and Banning Municipal Airport, each with substantial existing vehicle and truck traffic, are located south of the Proposed Project. In light of all of these combined factors, the area would be exposed to increased concentrations of air toxics, particularly diesel particulate matter (DPM), within the City of Banning.

Therefore, South Coast AQMD staff recommends that, at minimum, the Lead Agency include a qualitative analysis that considers the potential cumulative impacts of air toxics by listing all surrounding past, present, and probable future projects within the vicinity of the Proposed Project. In light of the large increase in daily truck trips, the Lead Agency may also perform a more detailed and robust quantitative analysis of cumulative air toxic and potential health risk implications to be included in the Final EIR.

Health Risk Assessment (HRA)

a. Possible Calculation Errors Relating to Incorrect Emission Rates

South Coast AQMD staff were not provided with the HRA modeling and technical files, so South Coast AQMD staff instead relied on the worksheets in Appendix B2_Health Risk Assessment and found that the emission rates relied upon to conduct the calculations were incorrect.

For instance, in the Onsite Travel Truck Emissions Worksheet (as shown via screenshot in Figure 1), the emission rate per source (highlighted in yellow) is different from the result of taking the total emissions (highlighted in pink) divided by 164 sources. Table 1a provides the reported emissions rate

⁶ City of Banning, Banning Commerce Center Project, SCH No. 2022090102. Available at <https://engagebanning.civilspace.io/en/projects/banning-commerce-center>.

⁷ City of Banning, Banning Commerce Center Project, SCH No. 2022090102. Draft EIR. Page 3-6. Available at <https://www.banningca.gov/DocumentCenter/View/14414/Banning-Commerce-Center-Project-Draft-EIR>.

⁸ City of Banning, Banning Commerce Center Project, SCH No. 2022090102. Draft EIR. Page 4.7-19. Available at <https://www.banningca.gov/DocumentCenter/View/14414/Banning-Commerce-Center-Project-Draft-EIR>.

taken from the emission worksheet in Appendix B2, and Table 1b shows the re-calculated emission rate per source compared to the emission worksheet.

Figure 1: Screenshot from Appendix B2_Health Risk Assessment⁹

LSA Associates, Inc.

Truck Emissions Worksheet

FRT2102

First Hathaway Logistics Facility

Onsite travel	AADT by Truck Category ¹				Number of Sources	Speciated Emissions Rates			
	LDV ²	2-Axle ³	3-Axle ³	4+-Axle ⁴		g/s	lb/hr	lb/yr	
	1,676	47	47	219					
	% of Vehicles That Are Diesel-Powered ⁵								
Average Speed	0.6%	51%	51%	97%					
	Diesel Exhaust PM10 & PM2.5 Emissions at 5 mph (g/mi) ⁷								
5 mph	PM ₁₀	0.0632	0.0967	9.67E-02	1.73E-02				
	PM _{2.5}	0.0605	0.0925	9.25E-02	1.65E-02				
	% of Vehicles That Are Gasoline-Powered ⁶								
Total distance covered by Onsite travel sources	94%	48%	48%	0.02%					
	Gasoline Exhaust ROG Emissions at 5 mph (g/mi) ⁷								
	ROG	0.372	4.19E-01	4.19E-01	1.36E-01				
	PM ₁₀ , PM _{2.5} & ROG Exhaust Emissions (g/s)								
1,627 meters	PM ₁₀	6.91E-06	2.73E-05	2.73E-05	4.28E-05	164	3.5E-06	2.8E-05	0.2420
	PM _{2.5}	6.61E-06	2.61E-05	2.61E-05	4.10E-05	164	3.3E-06	2.6E-05	0.2315
	ROG	6.84E-03	1.10E-04	1.10E-04	5.25E-08	164	2.4E-04	1.9E-03	16.3809

¹ AADT from First Hathaway Logistics Center Local Transportation Analysis (Stantec, October 2022)

² LDV use the EMFAC2021 "Non-Truck" emissions factors

³ 2 axle & 3 axle trucks use the EMFAC2021 "Truck 1" emissions factors

⁴ 4+ axle trucks use the EMFAC2021 "Truck 2" emissions factors

⁵ Source: EMFAC2021 VMT data

⁷ Source: EMFAC2021 emission factors for 2025 (model year aggregate).

Table 1a: Example from Onsite Travel Truck Emissions Worksheet¹⁰

	LDV	2-Axle	3-Axle	4+-Axle
PM10 Exhaust Emissions (g/s)	6.91E-06	2.73E-05	2.73E-05	4.28E-05

Key: g/s = grams per second

Table 1b: Recalculated Emission Rate per Source versus Emission Rate in Appendix B2

Total Emissions for 164 Sources (g/s)	Emissions per Source (g/s)	Emissions per Source from Appendix B2 (g/s)
1.04E-04 ^a	6.36E-07 ^b	3.05E-06

Key: g/s = grams per second

^a: summation of PM10 exhaust emissions from Table 1a.

^b: divided the summation of PM10 exhaust emissions by 164 sources.

The above examples in Tables 1a and 1b only represent PM10 exhaust emissions used in the onsite travel truck emissions worksheet. The Lead Agency is recommended to check and revise the emission calculations of all emissions worksheets for all of the pollutants and report the correct values in the Final EIR along with all the supporting evidence.

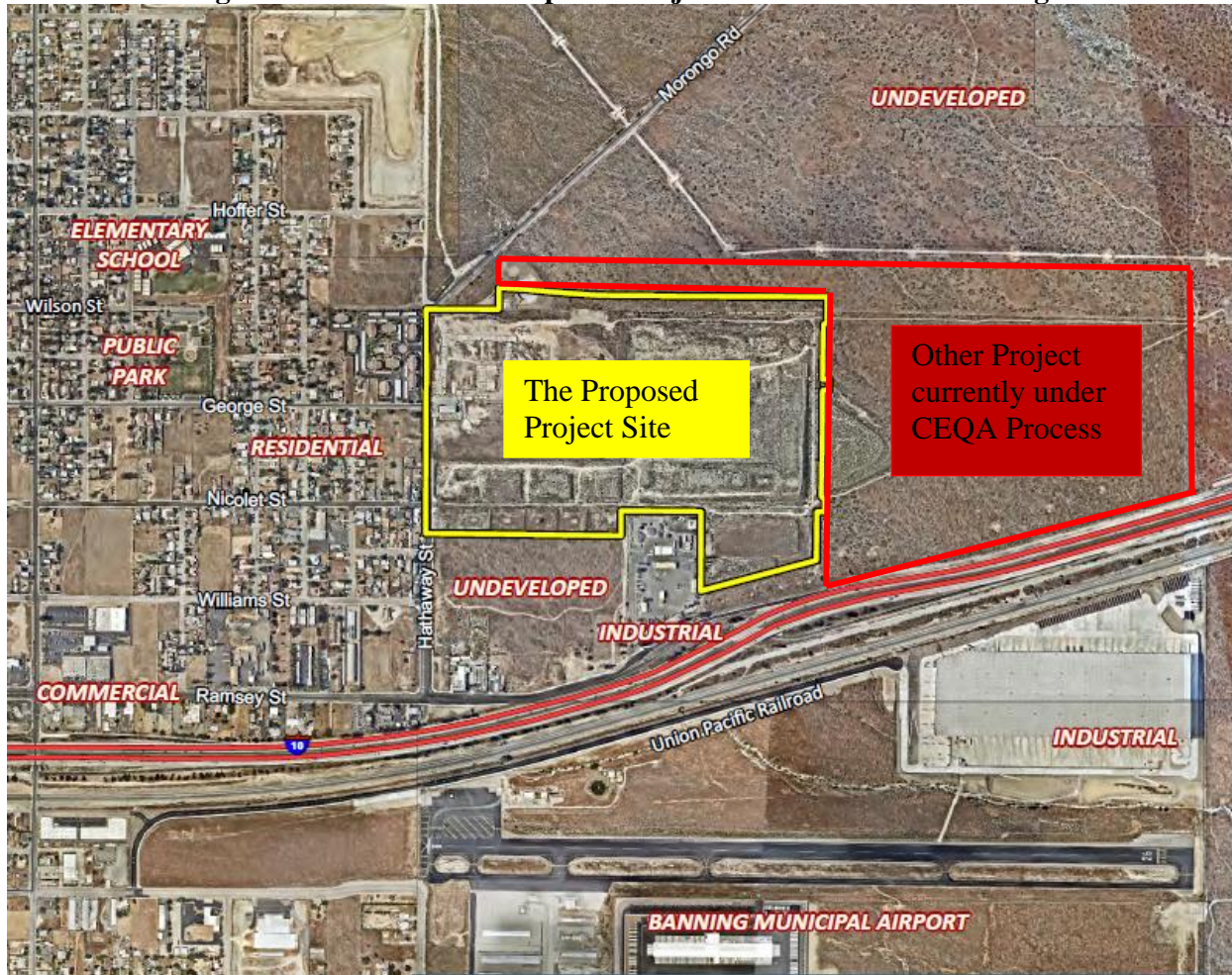
⁹ Appendix B2_Health Risk Assessment, p. 29.

¹⁰ Appendix B2_Health Risk Assessment, p. 29.

b. HRA Results

The Draft EIR discusses the maximum cancer risk for the residential receptors, which would be 2.2 in one million.¹¹ Figure 2 shows the Proposed Project location and its surroundings. However, the other aforementioned project within the vicinity of the Proposed Project would result in a maximum cancer risk to residential receptors of 6.53 in one million.¹² Based on the aerial photograph, the Proposed Project is located closer to the residential areas than the other project, which suggests that the maximum cancer risk to residential receptors for the Proposed Project is underestimated.

Figure 2: Screenshot of Proposed Project Site and Its Surroundings



Without having access to the modeling files, South Coast AQMD staff was neither able to verify the inputs on the modeling setup files nor the results. In addition, the output files provided in Appendix B2 are comprised of selected pages, meaning that the entire output files were not published as part of the Draft EIR. Thus, it is recommended that the Lead Agency rerun the HRA modeling, calculate the cancer risks using the correct emission rates, and include the revisions in the Final EIR with supporting evidence.

¹¹ *Ibid.* Page 4.3-43.

¹² City of Banning, Banning Commerce Center Project, SCH No. 2022090102. Draft EIR. Page 4.2-30. Available at <https://www.banningca.gov/DocumentCenter/View/14414/Banning-Commerce-Center-Project-Draft-EIR>.

Potential Operational Emissions from Railroad and Airport

It is unclear if the Proposed Project plans to utilize the UPRR and/or the Banning Municipal Airport for goods movement as part of the operation. In the event UPRR and/or Banning Municipal Airport are part of the transportation during operation, it is possible that the operational emissions in the Draft EIR are underestimated. Thus, the Lead Agency is recommended to revise the operational emissions and include those coming from UPRR and/or Banning Municipal Airport. If UPRR and Banning Municipal Airport are not part of the Proposed Project's operation, the Lead Agency is recommended to clarify it in the Final EIR.

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, South Coast AQMD recommends incorporating the following mitigation measures and project design considerations into the Final EIR.

Mitigation Measures for Operational Air Quality Impacts

Mobile Sources

1. Require zero-emission (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 NO_x emissions standard at 0.02 grams per brake horsepower-hour (g/bhp-hr), if and when feasible.

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 NO_x 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. Limit the daily number of trucks allowed at the Proposed Project to levels analyzed in the Final EIR. 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.
4. 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.

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 are not facing 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 Act¹³
2. South Coast AQMD 2022 Air Quality Management Plan,¹⁴ 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 Measure
3. United States Environmental Protection Agency (U.S. EPA): Mobile Source Pollution - Environmental Justice and Transportation.¹⁵

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, spray booths, etc., air permits from South Coast AQMD will be required, and 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 Section 15086, the Lead Agency is

¹³ 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>

¹⁴ South Coast AQMD, 2022 Air Quality Management Plan (AQMP). Available at: <http://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan>

¹⁵ 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>

required to consult with South Coast AQMD. In addition, 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 evaluating the applications for air permits. For these reasons, the Final EIR should include a discussion about any new stationary and portable equipment requiring South Coast AQMD air permits and identify South Coast AQMD as a Responsible Agency for the Proposed Project.

The Final EIR should also include calculations and analyses for construction and operation emissions for the new stationary and portable sources, as this information will also 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 permit information, please visit South Coast AQMD's webpage at <http://www.aqmd.gov/home/permits>.

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,

Sam Wang

Sam Wang

Program Supervisor, CEQA IGR

Planning, Rule Development & Implementation

BR:SW:DN
RVC240611-03
Control Number