



South Coast Air Quality Management District

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SENT VIA E-MAIL:

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**Notice of Availability of a Draft Environmental Impact Report (EIR) for the
Ellis Logistics Center Project (Proposed Project)
[SCH #: 2023040144]**

South Coast Air Quality Management District (South Coast AQMD) staff appreciate the opportunity to review the above-mentioned document. The City of Perris 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 Draft EIR

Based on the Draft EIR, The proposed project consists of a 40-foot-tall "high-cube" logistics warehouse building of approximately 643,419 square feet (sf). The project site consists of two assessor parcels (APN), 330-090-006 (28.13 acres) and 330-090-007 (6.39 acres), totaling 34.52 acres.¹ Based on a review of aerial photographs, South Coast AQMD staff found that the nearest sensitive receptor (e.g., residential development) is located 830 feet to the west of the project site.² The project would be constructed over approximately 13 months, conservatively estimated in this EIR to begin in March 2024. It is located near the southeast corner of East Ellis Avenue and Case Road.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 Draft EIR does not specify whether the Proposed Project includes allocating warehouse land for cold storage. 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 EIR to clarify if cold storage would be a part of the Proposed Project, and additionally, the Final EIR 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 planned to be used, the Lead Agency should also

¹ Draft EIR. Page 11.

² *Ibid.* Page 93.

³ *Ibid.* Page 58.

update the emissions calculations in the Final EIR to include the emissions from the TRUs in addition to the those from truck operation.

Moreover, based on an aerial photograph review, South Coast AQMD staff identified a railroad adjacent to the project site in a northwest-southeast orientation. The CEQA document should explain whether transportation by railroad will be utilized for this project. If so, locomotive emissions should be included in the air quality analysis and Health Risk Assessment (HRA) in the revised CEQA document.

Assessment of TRU Idling Durations and Potential Health Impacts at the Proposed Project Site

Based on South Coast AQMD reviews of the AERMOD modeling files provided in Appendix D2-HRA analysis, the duration for on-site TRU truck idling in the Proposed Project site is 30 minutes. According to the California Air Resource Board (CARB)'s Proposed Amendments to the Airborne Toxic Control Measure (ATCM) for In-Use Diesel-Fueled TRUs, a TRU-equipped vehicle enters the facility fully loaded (inbound) and exits the facility fully loaded (outbound), with each loading and unloading process taking 2 hours—totaling 4 hours. Given this, the loading and unloading of goods during a single visit can result in up to 4 hours of idling on-site. By assuming a 30-minute TRU idling duration, the Lead Agency may have underestimated the potential exposure of nearby residents to diesel exhaust emissions, which could pose a significant cancer risk to the community. Therefore, South Coast AQMD staff recommends that the Lead Agency either include a project design feature in the DEIR to limit TRU idling within the Project site to less than 30 minutes or revise the Project's HRA to reflect a reasonable TRU idling duration supported by substantial evidence.

Moreover, upon reviewing the AERMOD HRA modeling files, South Coast AQMD staff identified that a unit emission rate of 1 g/s was used for off-site trucks. whereas the actual emission factors from the on-site truck running and idling exhaust were applied to all other sources in the modeling. It is crucial to scale the modeled predicted ground-level concentrations to the actual ground-level concentration by using the actual emission rate and then determine the actual cancer risks from the off-site trucks. The Lead Agency should verify that the estimated cancer risks from off-site trucks and the on-site truck running and idling exhaust are combined to calculate the total cancer risks.

Cumulative Impacts during Operation

Based on the Draft EIR, the Proposed Project consists of construction of a 643,419 square foot warehouse on 34.53 acres, the Proposed Project is within the Perris Valley Commerce Center Specific Plan (PVCCSP) planning area.⁴ The PVCCSP was adopted by the City of Perris pursuant to a certified Environmental Impact Report (EIR) on 1/10/2012.⁵ Prior to certification of the PVCCSP, a Draft EIR was released for public review and comment between 7/20/2011 – 9/6/2011.⁶ During this public review period, South Coast AQMD submitted a comment

⁴ Draft EIR. Page 243.

⁵ ORDINANCE NUMBER 1284.

Accessed at: <https://www.cityofperris.org/home/showpublisheddocument/2923/637250482796800000>

⁶ Perris Valley Commerce Center Specific Plan Final EIR. 9.0 Introduction, Public Review Summary. Page 9.0-1

Accessed at: <https://www.cityofperris.org/home/showpublisheddocument/2645/637455522835370000>

recommending that the Lead Agency include a more robust analysis of cumulative impacts in the Final EIR. Specifically, South Coast AQMD asked that the Lead Agency revisit the estimated number of trucks projected to serve the site, provide additional analysis demonstrating that the project will not significantly impact sensitive receptors during operation and that it will not cause a significant air quality and air toxics impact, and to evaluate additional mitigation measures to further reducing any significant air quality and air toxics impacts. The PVCCSP has been revised and amended many times since 2012, and the most recent Perris Valley Commerce Center Specific Plan Amendment No. 12 was approved on January 11, 2022.⁷ However, the cumulative impacts from the revised projects in PVCCSP are not updated, and a robust analysis of cumulative air quality and air toxics impacts from all the projects in PVCCSP is not included in the PVCCSP or this Draft EIR.

According to the City of Perris webpage under Planning – Environmental Documents for Public Review,⁸ other development projects are located near the Proposed Project site. Such as the Draft EIR for the OLC3 Ramona Expressway and Perris Boulevard Commercial Warehouse Project⁹ (prepared in September 2023), Ramona Gateway Project¹⁰ (prepared in October 2022), OLC3 Ramona Expressway and Perris Boulevard Commercial Warehouse Project in 135 North D street, 643,419 square foot, Ethanac Logistics Center in 101 North D street, IS/MND for Redlands Avenue East Industrial Project¹¹ (prepared in September 2022) and IS/MND for Development Plan Review 22-00008 project. Per CEQA Guidelines Section 15065(a)(3), South Coast AQMD staff is primarily concerned with the cumulative air quality impacts from increased concentrations of air toxics in the PVCCSP region. Pursuant to CEQA, which requires an analysis of direct, indirect, and cumulative impacts, South Coast AQMD has initiated a public process to develop additional guidance for evaluating cumulative air quality impacts from increased concentrations of air toxics for projects. To date, there have been five working group meetings (WGMs) dedicated to proposed cumulative impact policy development. For more general information on the WGMs, please visit South Coast AQMD's webpage.¹²

Therefore, South Coast AQMD staff recommends that, at minimum, the Lead Agency perform a qualitative analysis to provide the potential cumulative impacts from air toxics in consideration by listing all surrounding past, present, and probable future projects. 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.

Rule 2305: Warehouse Indirect Source Rule - Warehouse Actions and Investments To Reduce Emissions (WAIRE) Program

⁷ Perris Valley Commerce Center Specific Plan Amendment No. 12, approved January 11, 2022, available at <https://www.cityofperris.org/home/showpublisheddocument/2647/637799977032200000>

⁸ City of Perris. Planning – Environmental Documents. Access at: <https://www.cityofperris.org/departments/development-services/planning/environmental-documents-for-public-review>.

⁹ OLC3 Ramona Expressway and Perris Boulevard Commercial Warehouse Project: <https://www.cityofperris.org/home/showpublisheddocument/17150/638296920955929505>.

¹⁰ Ramona Gateway Project: <https://www.cityofperris.org/home/showpublisheddocument/15530/638023987310626068>

¹¹ Redlands Avenue East Industrial Project. Access at: <https://www.cityofperris.org/departments/development-services/planning/environmental-documents-for-public-review/-folder-328>

¹² South Coast AQMD's Cumulative Impacts from Air Toxics for CEQA Projects: [https://www.aqmd.gov/home/rules-compliance/ceqa/ceqa-policy-development-\(new\)](https://www.aqmd.gov/home/rules-compliance/ceqa/ceqa-policy-development-(new)).

On May 7, 2021, South Coast AQMD's Governing Board adopted Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program, and Rule 316 – Fees for Rule 2305. Rules 2305 and 316 are new rules that will reduce regional and local emissions of nitrogen oxides (NO_x) and particulate matter (PM), including diesel PM. These emission reductions will reduce public health impacts for communities located near warehouses from mobile sources that are associated with warehouse activities. Also, the emission reductions will help the region attain federal and state ambient air quality standards. Rule 2305 applies to owners and operators of warehouses greater than or equal to 100,000 square feet. Under Rule 2305, operators are subject to an annual WAIRE Points Compliance Obligation that is calculated based on the annual number of truck trips to the warehouse. WAIRE Points can be earned by implementing actions in a prescribed menu in Rule 2305, implementing a site-specific custom plan, or paying a mitigation fee. Warehouse owners are only required to submit limited information reports, but they can opt in to earn Points on behalf of their tenants if they so choose because certain actions to reduce emissions may be better achieved at the warehouse development phase, for instance the installation of solar and charging infrastructure. Rule 316 is a companion fee rule for Rule 2305 to allow South Coast AQMD to recover costs associated with Rule 2305 compliance activities. Since the Proposed Project consists of the development of a 643,419 square foot warehouse, the Proposed Project's warehouse owners and operators will be required to comply with Rule 2305 once the warehouse is occupied. Therefore, South Coast AQMD staff recommends that the Lead Agency review South Coast AQMD Rule 2305 to determine the potential WAIRE Points Compliance Obligation for future operators and explore whether additional project requirements and CEQA mitigation measures can be identified and implemented at the Proposed Project that may help future warehouse operators meet their compliance obligation¹³. South Coast AQMD staff is available to answer questions concerning Rule 2305 implementation and compliance by phone or email at (909) 396-3140 or waire-program@aqmd.gov. For implementation guidance documents and compliance and reporting tools, please visit South Coast AQMD's WAIRE Program webpage.¹⁴

South Coast AQMD Air Permits and Role as a Responsible Agency

If implementation of the Proposed Project requires the use of new stationary and portable sources, including but not limited to emergency generators (for the hotel building), fire water pumps (for the warehouse building), boilers, etc., air 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,¹⁵ Rule 203 – Permit to Operate,¹⁶ Rule 401 – Visible Emissions,¹⁷ Rule 402 – Nuisance,¹⁸ Rule 403 – Fugitive Dust,¹⁹ Rule 1110.2 – Emissions from Gaseous and Liquid Fueled Engines,²⁰ Rule 1113 – Architectural Coating,²¹ Rule 1166 – VOC

¹³ South Coast AQMD Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program. Accessed at: <http://www.aqmd.gov/docs/default-source/rule-book/reg-xxiii/r2305.pdf>.

¹⁴ South Coast AQMD WAIRE Program. Accessed at: <http://www.aqmd.gov/waire>.

¹⁵ South Coast AQMD. Rule 201 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-201.pdf>

¹⁶ South Coast AQMD. Rule 203 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-203.pdf>

¹⁷ South Coast AQMD. Rule 401 available at <https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-401.pdf>

¹⁸ South Coast AQMD. Rule 402 available at <https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-402.pdf>

¹⁹ South Coast AQMD. Rule 403 available at <https://www.aqmd.gov/docs/default-source/rule-book/rule-iv/rule-403>

²⁰ South Coast AQMD. Rule 1110.2 available at https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1110_2.pdf

²¹ South Coast AQMD. Rule 1113 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1113.pdf>

Contaminated Soil Excavation,²² Rule 1179 – Publicly Owned Treatment Works Operation,²³ Regulation XIII – New Source Review,²⁴ Rule 1401 – Air Toxics,²⁵ Rule 1466 – Control of Particulate Emissions from Soils with Toxic Air Contaminants,²⁶ Rule 1470 – Requirements for Stationary Diesel Fueled Internal Combustion and Other Compression Ignition Engines,²⁷ 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, 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 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

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

²² South Coast AQMD. Rule 1166 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1166.pdf>

²³ South Coast AQMD. Rule 1179 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1179.pdf>

²⁴ South Coast AQMD. Regulation XIII available at <https://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/regulation-xiii>

²⁵ South Coast AQMD. Rule 1401 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1401.pdf>

²⁶ South Coast AQMD. Rule 1466 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1466.pdf>

²⁷ South Coast AQMD. Rule 1470 available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1470.pdf>

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 Sahar Ghadimi, Air Quality Specialist, at sghadimi@aqmd.gov should you have any questions.

Sincerely,

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