**SENT VIAE-MAIL:** 

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# Notice of Availability of a Draft Environmental Impact Report for the <u>5665 Plaza Drive Project (Proposed Project)</u> (SCH No.: 2024040017)

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

The Proposed Project includes demolishing an existing 150,626-square-foot five-story office building on the project site and constructing a new 191,394-square-foot light industrial building with 181,061 square feet of warehouse space and 10,333 square feet of office space. Based on a review of aerial photographs, South Coast AQMD staff found that the nearest sensitive receptor (e.g., residential development) is located 1398 feet in the north part of the Proposed Project site. The construction of the Proposed Project is anticipated to occur over an 11-month duration, with construction beginning in November 2024 and completion expected in October 2025. The project site is in the southern part of the city of Cypress at 5665 Plaza Drive, north of the intersection of Plaza Drive and Douglas Drive.

#### South Coast AQMD Staff's Comments

Health Risk Assessment (HRA) during Project Operation

CEQA Guidelines Sections 15126.2 and 15126.4 require a Draft EIR to include a description of the significant environmental effects of a Proposed Project, significant environmental effects which cannot be avoided, significant irreversible environmental changes, growth-inducing impacts, and mitigation measures proposed to minimize the significant adverse impacts. An impact is considered significant under CEQA if it leads to a "substantial, or potentially substantial, adverse change in the environment." In addition to the air quality impacts from the criteria air pollutants and greenhouse

<sup>&</sup>lt;sup>1</sup> Draft EIR, Page 49.

<sup>&</sup>lt;sup>2</sup> *Ibid*, Page 108.

<sup>&</sup>lt;sup>3</sup> *Ibid*, Page 108.

<sup>&</sup>lt;sup>4</sup> *Ibid*, Page 45.

gases, the 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 Draft EIR for the Proposed Project did not contain 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. As a result, the potential cancer risk linked to the Proposed Project is unknown and undisclosed. This omission is concerning because the operation of a 181,061 square feet of warehouse space- using 100% cold storage and diesel-powered transportation refrigerated units (TRUs) is expected to involve various diesel-powered stationary and portable sources and vehicles that emit Diesel Particulate Matter (DPM), a known air toxic and carcinogen.

As mentioned earlier in this letter, the aerial maps indicate that the nearest sensitive receptor, a residential area, is located within 1398 feet north of the Proposed Project site. As such, the Lead Agency is recommended to 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. An HRA assessment is essential for determining the potential cancer risk impacts associated with the operation of the Proposed Project to the offsite sensitive receptors and workers so that they can be compared to the South Coast AQMD Air Quality Significance Thresholds for TACs<sup>6</sup> to determine 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 Draft EIR or Final EIR.

We have raised this concern during both the Notice of Preparation (NOP) and Mitigated Negative Declaration (MND) phases of the Proposed Project. However, it has not been addressed in either phase.

Enhancing Emissions Mitigation: Adopting Cleaner Technologies and Addressing Truck Trip Discrepancies

Based on the CalEEMod modeling Tier 2 is used for all the construction equipment. However, Tier 4 engines are currently the cleanest technology for the off-road construction equipment. It is crucial to ensure that the levels of construction emissions, specifically NOx and PM<sub>10</sub>, remain below significant thresholds during the construction period for each proposed individual project. Moving towards achieving this goal, where feasible, involves opting for higher Tier engines or electric emission-free engines instead of diesel-fueled engines for the construction equipment. This proactive choice not only aligns with environmental concerns but also demonstrates a commitment to

<sup>5</sup> South Coast AQMD's guidance for performing a mobile source health risk assessment is available at: <a href="https://www.aqmd.gov/home/rules-compliance/ceqa/air-quality-analysis-handbook/mobile-source-toxics-analysis">https://www.aqmd.gov/home/rules-compliance/ceqa/air-quality-analysis-handbook/mobile-source-toxics-analysis</a>

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

minimizing the project's environmental footprints. The abatement of NOx can also be pursued by enforcing greener constructions, such as, limiting the usage of older engines in favor of adopting the latest available technologies, or even incorporating exhaust retrofits such as cutting-edge exhaust aftertreatment techniques. Additionally, several other resources to assist the Lead Agency with identifying additional potential mitigation measures for the Proposed Project are included in the South Coast AQMD's CEQA Air Quality Handbook<sup>15</sup> for both operational and construction emissions.

Moreover, according to Appendix C – CalEEMod work document, the truck trips used for the Refrigerated Warehouse-No Rail are estimated at 327 trips per day. However, the calculated truck trips for the High-Cube Cold Storage warehouse are 342 trips per day in Appendix E, VMT analysis, and the Draft EIR document. This discrepancy may result in underestimating truck emissions in the CalEEMod modeling. It is recommended that the lead agency correct this inconsistency across both documents to ensure accurate emissions calculations.

## 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 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, Rule 203 – Permit to Operate, Rule 401 – Visible Emissions, Rule 402 – Nuisance, Rule 403 – Fugitive Dust, Rule 1110.2 – Emissions from Gaseous and Liquid Fueled Engines, Rule 1113 – Architectural Coating, Rule 1166 – VOC Contaminated Soil Excavation, Rule 1179 – Publicly Owned Treatment Works Operation, Regulation XIII – New Source Review, Rule 1401 – Air

<sup>7</sup> Appendix C – CalEEMod work document. Page 68.

<sup>8</sup> Appendix E, VMT analysis. Page 6.

<sup>10</sup> South Coast AQMD. Rule 203 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-203.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule-203.pdf</a>

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

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

<sup>14</sup> South Coast AQMD. Rule 1110.2 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1110\_2.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1110\_2.pdf</a>

<sup>15</sup> South Coast AQMD. Rule 1113 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1113.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/r1113.pdf</a>

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

<sup>17</sup> South Coast AQMD. Rule 1179 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1179.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1179.pdf</a>

<sup>18</sup> South Coast AQMD. Regulation XIII available at <a href="https://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/regulation-xiii">https://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/regulation-xiii</a>

<sup>&</sup>lt;sup>9</sup> South Coast AQMD. Rule 201 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule 201.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-ii/rule 201.pdf</a>

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

Toxics, <sup>19</sup> Rule 1466 – Control of Particulate Emissions from Soils with Toxic Air Contaminants, <sup>20</sup> Rule 1470 – Requirements for Stationary Diesel Fueled Internal Combustion and Other Compression Ignition Engines, <sup>21</sup> 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 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 <a href="https://www.aqmd.gov/home/permits">https://www.aqmd.gov/home/permits</a>.

#### 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.

<sup>19</sup> South Coast AQMD. Rule 1401 available at <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1401.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1401.pdf</a>

<sup>&</sup>lt;sup>20</sup> South Coast AQMD. Rule 1466 available <a href="https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1466.pdf">https://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1466.pdf</a>

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

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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