CALIFORNIA
AIR RESOURCES BOARD

Mary D. Nichols, Chair
Jared Blumenfeld, CalEPA Secretary
Gavin Newsom, Governor

May 13, 2019

Mr. Richard Ayala
Senior Planner
City of Ontario
Planning Department
303 East "B" Street
Ontario, California 91764

Dear Mr. Ayala:

Thank you for providing the California Air Resources Board (CARB) with the opportunity to comment on the Notice of Preparation (NOP) for the Merrill Commerce Center Specific Plan (Project) Draft Environmental Impact Report (DEIR), State Clearinghouse No. 2019049079. The Project consists of the construction and operation of up to 7,014,000 square feet of high-cube fulfillment center warehouse space, and up to 1,441,000 square feet of business park space (for a total of 8,455,000 square feet of development) on approximately 376 acres of land in the City of Ontario (City). The City is the lead agency for California Environmental Quality Act (CEQA) purposes. Implementation of the Project would require a change to the existing land use designation from "Business Park/Office Commercial/General Commercial" to "Business Park/Industrial."

CARB staff is concerned about the air pollution impacts that would result should the City approve the Project, and the land use change from "Business Park/Office Commercial/General Commercial" to "Business Park/Industrial," to build two large warehouses. Freight facilities, such as warehouse and distribution facilities, can result in high daily volumes of heavy-duty diesel truck traffic and operation of onsite equipment (e.g., forklifts, yard tractors) that emit toxic diesel emissions, and contribute to regional air pollution and global climate change.

Residences are located north, west, and east of the Project site, with the closest residences situated approximately 160 feet east of the Project's eastern boundary. The community is surrounded by existing toxic diesel emission sources, which include warehouses and the Chino Airport. Due to the Project's proximity to residences already disproportionately burdened by multiple sources of pollution, CARB staff is concerned with the potential cumulative health risks associated with the construction and operation of the Project.

The State of California has placed additional emphasis on protecting local communities from the harmful effects of air pollution through the passage of Assembly Bill 617 (AB 617) (Garcia, Chapter 136, Statutes of 2017). AB 617 is a significant piece of air quality legislation that highlights the need for further emission reductions in communities with high exposure burdens, like those in which the Project is located. Diesel emissions generated during the construction and operation of the Project would negatively impact the community, which is already disproportionally impacted by air pollution from existing freight facilities.

The California Environmental Protection Agency (CalEPA) defines a disadvantaged community as a community that scores within the top 25 percent of the census tracts, as analyzed by the California Communities Environmental Health Screening Tool Version 3.0 (CalEnviroScreen). CalEnviroScreen uses a screening methodology to help identify California communities currently disproportionately burdened by multiple sources of pollution. The census tract containing the Project is within the top 1 percent for Pollution Burden.[1] Therefore, CARB urges the City to ensure that the Project and land use change do not adversely impact neighboring disadvantaged communities.

The NOP does not state whether the proposed warehouses would include cold storage. The operation of cold storage warehouses would include trucks with transport refrigeration units (TRU) that emit significantly higher levels of toxic diesel emissions, oxides of nitrogen (NO_x), and greenhouse gases than trucks without TRUs. Since it is unclear whether the Project would include cold storage warehouse space, any modeling done in support of the air quality analysis of the DEIR and associated health risk assessment (HRA) should assume that a conservative percentage of the truck and trailer fleet that would be serving the Project are equipped with TRUs.

In addition to the health risk associated with operations, construction health risks should be included in the air quality section of the DEIR and the Project's HRA. Construction of the Project would result in short-term diesel emissions from the use of both on-road and off-road diesel equipment. The Office of Environmental Health Hazard Assessment's (OEHHA) guidance (2015 Air Toxics Hot Spots Program Guidance Manual for Preparation of Health Risk Assessments),[2] recommends assessing cancer risks for construction projects lasting longer than two months. Since construction would very likely occur over a period lasting longer than two months, the HRA prepared for the Project should include health risks for existing residences near the Project site during construction.

---

[1] Pollution Burden represents the potential exposures to pollutants and the adverse environmental conditions caused by pollution.

[2] Office of Environmental Health Hazard Assessment (OEHHA). Air Toxics Hot Spots Program Guidance Manual for Preparation of Health Risk Assessments. February 2015. Accessed at: https://oehha.ca.gov/media/downloads/crnr/2015guidancemanual.pdf

The HRA prepared in support of the Project should be based on the latest OEHHA guidance and the South Coast Air Quality Management District's CEQA Air Quality Handbook.[3] To reduce the exposure of toxic diesel emissions in disadvantaged communities already disproportionally impacted by air pollution, the final design of the Project should include all existing and emerging zero-emission technologies to minimize NO_x and diesel emission exposure to all neighboring communities, as well as the greenhouse gases that contribute to climate change. CARB encourages the City and applicant to implement the measures listed in Attachment A of this comment letter to reduce the Project's construction and operational air pollution emissions.

The HRA should evaluate and present the existing baseline (current conditions), future baseline (full build-out year, without the Project), and future year with the Project. The health risks modeled under both the existing and the future baselines should reflect all applicable federal, state, and local rules and regulations. By evaluating health risks using both baselines, the public and City planners will have a complete understanding of the potential health impacts that would result from the Project.

CARB appreciates the opportunity to comment on the NOP for the Project and can provide assistance on zero-emission technologies and emission reduction strategies, as needed. Please include CARB on your State Clearinghouse list of selected State agencies that will receive the DEIR as part of the comment period. If you have questions, please contact Stanley Armstrong, Air Pollution Specialist, at (916) 440-8242 or via email at stanley.armstrong@arb.ca.gov.

Sincerely,

Richard Boyd, Chief
Risk Reduction Branch
Transportation and Toxics Division

Attachment

cc: See next page.

[3] SCAQMD's 1993 Handbook can be found at http://www.aqmd.gov/home/rules-compliance/ceqa/air-quality-analysis-handbook

cc: State Clearinghouse
P.O. Box 3044
Sacramento, California 95812

Morgan Capilla
NEPA Reviewer
U.S. Environmental Protection Agency
Air Division, Region 9
75 Hawthorne Street
San Francisco, California 94105

Carlo De La Cruz
Sierra Club
2101 Webster Street, Suite 1300
Oakland, California 94612

Lijin Sun
Program Supervisor - CEQA
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, California 91765

Andrea Vidaurre
Center for Community Action and Environmental Justice
P.O. Box 33124
Riverside, California 92519

ATTACHMENT A

Recommended Air Pollution Emission Reduction Measures for Warehouses and Distribution Centers

California Air Resources Board (CARB) staff recommends developers and government planners use all existing and emerging zero to near-zero emission technologies during project construction and operation to minimize public exposure to air pollution. Below are some measures, currently recommend by CARB staff, specific to warehouse and distribution center projects. These recommendations are subject to change as new zero-emission technologies become available.

Recommended Construction Measures

1. Ensure the cleanest possible construction practices and equipment are used. This includes eliminating the idling of diesel-powered equipment and providing the necessary infrastructure (e.g., electrical hookups) to support zero and near-zero equipment and tools.

2. Implement, and plan accordingly for, the necessary infrastructure to support the zero and near-zero emission technology vehicles and equipment that will be operating onsite. Necessary infrastructure may include the physical (e.g., needed footprint), energy, and fueling infrastructure for construction equipment, onsite vehicles and equipment, and medium-heavy and heavy-heavy duty trucks.

3. In construction contracts, include language that requires all off-road diesel-powered equipment used during construction to be equipped with Tier 4 or cleaner engines, except for specialized construction equipment in which Tier 4 engines are not available. In place of Tier 4 engines, off-road equipment can incorporate retrofits such that emission reductions achieved equal or exceed that of a Tier 4 engine.

4. In construction contracts, include language that requires all off-road equipment with a power rating below 19 kilowatts (e.g., plate compactors, pressure washers,) used during project construction be battery powered.

5. In construction contracts, include language that requires all heavy-duty trucks entering the construction site, during the grading and building construction phases be model year 2014 or later. All heavy-duty haul trucks should also meet CARB's lowest optional low-NO_x standard starting in the year 2022.[1]

---

[1] In 2013, CARB adopted optional low-NO_x emission standards for on-road heavy-duty engines. CARB staff encourages engine manufacturers to introduce new technologies to reduce NO_x emissions below the current mandatory on-road heavy-duty diesel engine emission standards for model years 2010 and later. CARB's optional low-NO_x emission standard is available at https://www.arb.ca.gov/msprog/onroad/optionnox/optionnox.htm.

6. In construction contracts, include language that requires all construction equipment and fleets to be in compliance with all current air quality regulations. CARB staff is available to assist in implementing this recommendation.

Recommended Operation Measures

1. Include contractual language in tenant lease agreements that requires tenants to use the cleanest technologies available, and to provide the necessary infrastructure to support zero-emission vehicles and equipment that will be operating onsite.

2. Include contractual language in tenant lease agreements that requires all loading/unloading docks and trailer spaces be equipped with electrical hookups for trucks with transport refrigeration units (TRU) or auxiliary power units. This requirement will eliminate the amount of time that a TRU powered by a fossil-fueled internal combustion engine can operate at the project site. Use of zero-emission all-electric plug-in TRUs, hydrogen fuel cell transport refrigeration and cryogenic transport refrigeration are encouraged and can also be included lease agreements.[2]

3. Include contractual language in tenant lease agreements that requires all service equipment (e.g., yard hostlers, yard equipment, forklifts, and pallet jacks) used within the project site to be electric or powered by compressed natural gas.

4. Include contractual language in tenant lease agreements that requires all heavy-duty trucks entering the project site to be model year 2014 or later.

5. Starting in the year 2022, include contractual language in tenant lease agreements that requires all trucks entering the project site to meet CARB's lowest optional low-NO_x standard.

[2] CARB's Technology Assessment for Transport Refrigerators provides information on the current and projected development of TRUs, including current and anticipated costs. The assessment is available at https://www.arb.ca.gov/msprog/tech/techreport/tru_07292015.pdf.

6. Include contractual language in tenant lease agreements that require the tenant be in, and monitor compliance with, all current air quality regulations for on-road trucks including CARB's Heavy-Duty (Tractor-Trailer) Greenhouse Gas Regulation,[3] Periodic Smoke Inspection Program (PSIP),[4] and the Statewide Truck and Bus Regulation.[5]

7. Include contractual language in tenant lease agreements restricting trucks and support equipment from idling longer than five minutes while onsite.

8. Include contractual language in tenant lease agreements that limits onsite TRU diesel engine runtime to no longer than 15 minutes. If no cold storage operations are planned, include contractual language and permit conditions that prohibit cold storage operations unless a health risk assessment is conducted and the health impacts mitigated.

9. Include rooftop solar panels for each proposed warehouse to the extent feasible, with a capacity that matches the maximum allowed for distributed solar connections to the grid.

---

[3] In December 2008, CARB adopted a regulation to reduce greenhouse gas emissions by improving the fuel efficiency of heavy-duty tractors that pull 53-foot or longer box-type trailers. The regulation applies primarily to owners of 53-foot or longer box-type trailers, including both dry-van and refrigerated-van trailers, and owners of the heavy-duty tractors that pull them on California highways. CARB's Heavy-Duty (Tractor-Trailer) Greenhouse Gas Regulation is available at https://www.arb.ca.gov/cc/hdghg/hdghg.htm.

[4] The PSIP program requires that diesel and bus fleet owners conduct annual smoke opacity inspections of their vehicles and repair those with excessive smoke emissions to ensure compliance. CARB's PSIP program is available at https://www.arb.ca.gov/enf/hdvip/hdvip.htm.

[5] The regulation requires newer heavier trucks and buses must meet PM filter requirements beginning January 1, 2012. Lighter and older heavier trucks replaced starting January 1, 2015. By January 1, 2023, nearly all trucks and buses will need to have 2010 model year engines or equivalent. CARB's Statewide Truck and Bus Regulation is available at https://www.arb.ca.gov/msprog/onrdiesel/onrdiesel.htm.