

May 1, 2024

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Governor's Office of Planning & Research

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STATE CLEARINGHOUSE

Sent via email

Dear Kelly Lucia:

Thank you for providing the California Air Resources Board (CARB) with the opportunity to comment on the Oak Valley North (Project) Draft Environmental Impact Report (DEIR), State Clearinghouse No. 2022120265. The Project is proposed within the City of Calimesa California (City), which is the lead agency for California Environmental Quality Act (CEQA) purposes.

Project Description and Background

The Project proposes the construction and operation of four warehouse buildings totaling 982,232 square feet and approximately 37 acres of truck and trailer storage, and up to 223 residential units on approximately 111 acres. Alternatively, a 1,200-seat church could be constructed within the residential planning area of the Project site. Once fully built out, the proposed Project would result in up to 7,146 daily vehicle trips along local roadways, including 2,251 daily truck trips.¹

CARB submitted a comment letter, which is attached to this letter, on the Notice of Preparation (NOP) for the DEIR released in July 2023. CARB's comments dated August 17, 2023, highlighted the need for preparing a health risk assessment (HRA) for the Project and encouraged the City and applicant to implement all existing and emerging zero-emission technologies to minimize exposure to diesel particulate matter (diesel PM) and oxides of nitrogen (NOx) emissions for all neighboring communities, and to minimize the greenhouse gases that contribute to climate change. Due to the Project's proximity to residences already burdened by multiple sources of pollution, CARB's comments expressed concerns with the potential cumulative health risks associated with the construction and operation of the Project.

¹ City of Calimesa. Oak Valley North Draft Environmental Impact Report. Page 3-65. Table 3-5. Accessible at: https://files.ceqanet.opr.ca.gov/283819-3/attachment/jMBQ_7fH_wcDVmZVJznFznjWxU244SYppVTCdchmXqFroz6B2sZo8e48TGqsaIT6b9I4Omv6uaQVli0

Industrial facilities, like the facilities described in the Project, can result in high volumes of heavy-duty diesel truck traffic, and operation of on-site equipment (e.g., forklifts and yard tractors) that emit toxic diesel emissions, and contribute to regional air pollution and global climate change.² To better address regional air pollution and global climate change, Governor Gavin Newsom signed Executive Order N-79-20 on September 23, 2020. The Executive Order states: "It shall be a goal of the State that 100% of in-state sales of new passenger cars and trucks will be zero-emission by 2035. It shall be a further goal of the State that 100% of medium and heavy-duty vehicles in the State be zero-emission by 2045 for all operations where feasible and by 2035 for drayage trucks. It shall be further a goal of the State to transition to 100% zero-emission off-road vehicles and equipment by 2035 where feasible." The Executive Order further directs the development of regulations to help meet these goals. To ensure that lead agencies, like the City, stay in step with evolving scientific knowledge to protect public health from adverse air quality and greenhouse gas impacts from the transportation sector, which serves as the basis of the Governor's Executive Order N-79-20, CARB staff urges the City to plan for the use of zero-emission technologies within the Project area as described in this letter.

It is Unclear Whether the Proposed Warehouses Uses Include Cold Storage

The air pollutant emissions reported in the DEIR were estimated under the assumption that the proposed industrial development would be used for either high-cube warehouse uses, or high-cube hub warehouse uses. Since the Project description in the DEIR did not explicitly state that none of the proposed 982,232 square feet of warehouse space would include cold storage space, there is a possibility that trucks and trailers visiting the Project site would be equipped with transport refrigeration units (TRU).

As previously mentioned in CARB's letter on the NOP, TRUs on trucks and trailers could emit large quantities of diesel exhaust while operating within the Project site. Residences and other sensitive receptors (e.g., daycare facilities, senior care facilities, and schools) located near where these TRUs could be operating would be exposed to diesel emissions that would result in significant cancer risk. CARB urges the applicant and the City to revise the DEIR to clearly define the Project's description, so the public can fully understand the potential environmental effects of the Project on their communities. If the Project will not be used for cold storage, CARB urges the City to include one of the following design measures in the Final Environmental Impact Report (FEIR):

² With regard to greenhouse gas emissions from this project, CARB has been clear that local governments and project proponents have a responsibility to properly mitigate these impacts. CARB's guidance, set out in detail in the Scoping Plan issued in 2022, explains that in CARB's expert view, local mitigation is critical to achieving climate goals and reducing greenhouse gases below levels of significance. CARB's 2022 Scoping Plan for Achieving Carbon Neutrality, published November 16, 2022, is available at https://ww2.arb.ca.gov/sites/default/files/2022-12/2022-sp_1.pdf

- A Project design measure requiring contractual language in tenant lease agreements that prohibits tenants from operating diesel-powered TRUs within the Project site; or
- A condition requiring a restrictive covenant over the parcel that prohibits the applicant's use of diesel-powered TRUs on the property unless the applicant seeks and receives an amendment to its conditional use permit allowing such use.

If the City does allow TRUs within the Project site, CARB urges the City to model air pollutant emissions from on-site TRUs in the FEIR, and to include potential air quality and cancer risk impacts from on-site TRUs in the Project's air quality analysis and HRA, respectively.

The DEIR May Have Used Inappropriate Trip Lengths When Modeling the Project's Air Quality Impacts from Mobile Sources

The City may have underestimated mobile source air pollutant emissions in the DEIR by relying on unrealistic truck trip lengths. The Project's operational air pollutant emissions are presented in Section 4.3 (Air Quality) of the DEIR and modeled in Appendix C (Air Quality Impact Analysis). Based on CARB's review of the Project's air quality analysis, the City assumed a truck trip length of 15.3 miles for light heavy-duty trucks, 14.2 miles for medium heavy-duty trucks, and 39.9 miles for heavy heavy-duty trucks.³ The City states in Appendix C (Air quality Impact Analysis) of the DEIR that these trip distances are consistent with the South Coast Air Quality Management District's (SCAQMD) guidance. SCAQMD derived these trip lengths using information from California Association of Governments (SCAG) Heavy Duty Truck Regional Travel Demand Model.⁴ The SCAG's 2016 Regional Transportation Plan includes many short trips in the Los Angeles Region that do not fully reflect the truck trip distances for the Project. Furthermore, the Project is located approximately 92 miles from the Ports of Long Beach and Los Angeles, more than twice the distance used to model Project's mobile emissions in the DEIR. Since trucks serving the Project may originate from the Ports of Long Beach and Los Angeles or other regions further than 39.9 miles, CARB urges the City to use Project-specific truck trip distances in their air quality impact analysis. Unless the City re-evaluates or provides substantiation for the designated truck trip lengths, the Project should include a mitigation measure or project design feature that restricts trucks from traveling a distance greater than what was analyzed in the DEIR.

³ City of Calimesa. Oak Valley North Draft Environmental Impact Report. Appendix C. Page 53. Accessible at: https://files.ceqanet.opr.ca.gov/283819-3/attachment/W6m2sy-AG_EDId0SzxkVVfFmC1pHAKJblAMOI71wkgjqUJRscBnFLM9cq23d0y8maarj4hJlj-frETf0

⁴ South Coast Air Quality Management District. WAIRE Implementation Guidelines. June 2021. Accessible at: <https://www.aqmd.gov/docs/default-source/planning/fbmsm-docs/waire-implementation-guidelines.pdf?sfvrsn=12>

The City Must Provide More Meaningful Mitigation Measures to Reduce the Project's Significant and Unavoidable Impact on Air Quality

The City concluded in Chapter 4.3 (Air Quality) of the DEIR that the operation of the Project would result in a significant impact on air quality. According to Table 4.3-20 (Summary of Peak Operational Emissions - Scenario 1), Table 4.3-21 (Summary of Peak Operational Emissions - Scenario 2), and Table 4.3-22 (Summary of Peak Operational Land Use - Scenario 3), the operation of the Project would emit organic compounds (VOC) as high as 116 pounds per day, oxides of nitrogen (NO_x) as high as 211 pounds per day, carbon monoxide (CO) as high as 573 pounds per day, particulate matter less than 10 microns in size (PM₁₀) as high as 187 pounds per day, and particulate matter less than 2.5 microns in size (PM_{2.5}) as high as 62 pounds per day, which were all found to exceed the SCAQMD's significance threshold and would result in a significant impact on air quality.⁵ To mitigate the Project's operational air quality impacts, the DEIR included eight mitigation measures (MM 4.3-1 through MM 4.3-8), which included requiring renewable energy on-site, installation of 14 truck charging stations and electric vehicle charging stations, all on-site cargo handling equipment to be zero-emission, and all medium heavy-duty and medium heavy-duty trucks serving the Project to be equipped with 2010 or newer engines.

The City should not exclusively rely on existing rules and regulations to mitigate the Project's air quality impacts from the operation of heavy-duty trucks. MM 4.3-8 includes a requirement that all "Facility operators shall maintain records of their fleet equipment and ensure that all diesel fueled Medium-Heavy Duty Trucks ("MHDT") and Heavy-Heavy Duty Trucks ("HHD") accessing the site use year CARB 2010 or newer engines."⁶ This requirement under MM 4.3-8 is nearly identical to CARB's Truck and Bus Regulation, which requires trucks, by law, to have 2010 or newer model year engines by January 1, 2023.⁷ Once the Project is fully operational in the year 2027, trucks with a model year of 2009 or older would already have been required to comply with the regulation. Compliance with laws and regulations does not represent mitigation of the Project's impact on air quality.

To reduce the Project's operational VOC, NO_x, CO, PM₁₀, and PM_{2.5} emissions, CARB urges the City to include a measure that requires all heavy-duty trucks to be zero-emission and to install on-site infrastructure to support those zero-emission trucks. As presented

⁵ City of Calimesa. Oak Valley North Draft Environmental Impact Report. Pages 4.3-62 through 4.3-64. Tables 4.3-20 through 4.3-22. Accessible at: https://files.ceqanet.opr.ca.gov/283819-3/attachment/W6m2sy-AG_EDId0SzxkVVffmC1pHAKJblAMO171wkgjqUJRscBnfLM9cq23d0y8maarj4hJlj-frETf0

⁶ City of Calimesa. Oak Valley North Draft Environmental Impact Report. Pages 4.3-91. Accessible at: [jMBQ_7fH_wcDVmZVJznFznjWxU244SYppVTCdchmXqFrozm6B2sZo8e48TGqsalT6b9I4Omvs6uaQVli0\(ca.gov\)](https://files.ceqanet.opr.ca.gov/283819-3/attachment/jMBQ_7fH_wcDVmZVJznFznjWxU244SYppVTCdchmXqFrozm6B2sZo8e48TGqsalT6b9I4Omvs6uaQVli0(ca.gov))

⁷ CARB. Truck and Bus Regulation Compliance Requirement Overview. June 18, 2019. Accessible at <https://ww3.arb.ca.gov/msprog/onrdiesel/documents/fsregsum.pdf>

below, CARB has many regulations that promote and eventually require the use of zero-emission trucks at freight facilities, such as the proposed Project. Specifically, the Advanced Clean Fleet Regulation would require all drayage trucks in California to be zero-emission by 2035. To support trucks serving the Project that are already complying with the Advanced Clean Fleets regulation, CARB urges the City to require the infrastructure to support on-site zero-emission trucks at the start of Project operations. A list of commercially-available zero-emission trucks can be obtained from the Hybrid and Zero-emission Truck and Bus Voucher Incentive Project (HVIP).⁸ The HVIP is a part of California Climate Investments to incentivize the purchase of zero-emission trucks. Based on CARB's review of the zero-emission trucks listed in the HVIP, there are commercially available electric trucks that can meet the cargo transportation needs of individual industrial uses proposed in the City today. CARB has implemented or is developing regulations that will require the use of zero-emission trucks.

The list below details the CARB regulations that will result in the reduction of diesel PM and NOx emissions from trucks within California:

- **Drayage Truck Regulation:** The existing Drayage Truck Regulation requires all drayage trucks to operate with an engine that is a 2007 model year or newer.
- **Truck and Bus Regulation:** The Truck and Bus Regulation requires all trucks, including drayage, to have 2010 or newer model year engines by January 1, 2023.
- **Heavy-Duty Low-NOx Omnibus Rule:** The Heavy-Duty Low-NOx Omnibus Rule requires truck emission standards to be reduced from 0.20 to 0.05 grams per brake horsepower-hour (g/bhp-hr) from 2024 to 2026, and to 0.02 g/bhp-hr in 2027.
- **Advanced Clean Trucks Regulation:** The Advanced Clean Trucks Regulation, approved by CARB on June 25, 2020, requires manufacturers to start the transition from diesel trucks and vans to zero-emission trucks beginning in 2024. The rule is expected to result in about 100,000 zero-emission trucks in California by the end of 2030 and about 300,000 by 2035. The Advanced Clean Trucks regulation is part of CARB's overall approach to accelerate a large-scale transition to zero-emission medium- and heavy-duty vehicles. CARB approved amendments to the Advanced Clean Trucks regulation in March 2021; the amendments help ensure that more zero-emission vehicles are brought to market. CARB directed staff to ensure that fleets, businesses, and public entities that own or direct the operation of medium- and heavy-duty vehicles in California purchase and operate zero-emission vehicles (ZEV) to achieve a smooth transition to ZEV fleets by 2045 everywhere feasible, and specifically to reach:
 - 100% zero-emission drayage trucks, last mile delivery, and government fleets by 2035

⁸ Zero-Emission Truck and Bus Voucher Incentive Project. Accessible at: <https://californiahvip.org/>

- 100% zero-emission refuse trucks and local buses by 2040
- 100% zero-emission capable utility fleets by 2040
- **Advanced Clean Fleets Regulation:** The Advanced Clean Fleets Regulation is part of CARB's overall strategy to accelerate a large-scale transition to zero-emission medium- and heavy-duty vehicles. This regulation works in conjunction with the Advanced Clean Trucks regulation. The regulation applies to trucks performing drayage operations at seaports and railyards, fleets owned by State, local, and federal government agencies, and high priority fleets. High priority fleets are those entities that own, operate, or direct at least one vehicle in California, and that have either \$50 million or more in gross annual revenue, or that own, operate, or have common ownership or control of a total of 50 or more vehicles. The regulation affects medium- and heavy-duty on-road vehicles with a gross vehicle weight rating greater than 8,500 pounds, off-road yard tractors, and light-duty mail and package delivery vehicles. All drayage trucks entering seaports and intermodal railyards would be required to be zero-emission by 2035.

With the implementation of the regulations listed above, specifically the Advanced Clean Trucks Regulation, tenants at the proposed development must begin the transition from diesel trucks and vans to zero-emission trucks. To protect the air quality of the residences near the Project site, CARB urges the City to include contractual language in tenant lease agreements requiring future tenants to use zero-emission trucks during their operation in the FEIR.

Conclusion

CARB is concerned about the potential public health impacts should the City approve the Project. To fully assess the Project's impact on neighboring communities, the City must specify whether or not the proposed Project would be used for cold storage and use Project-specific truck trip distances when modeling the Project's air quality impacts. Lastly, CARB urges the City to include a mitigation measure or project design measure that requires trucks serving the Project to be zero-emission.

CARB appreciates the opportunity to comment on the DEIR for the Project. Given the breadth and scope of projects subject to CEQA review throughout California that have air quality and greenhouse gas impacts, coupled with CARB's limited staff resources to substantively respond to all issues associated with a project, CARB must prioritize its substantive comments here based on staff time, resources, and its assessment of impacts. CARB's deliberate decision to substantively comment on some issues does not constitute an admission or concession that it substantively agrees with the lead agency's findings and conclusions on any issues on which CARB does not substantively submit comments.

CARB staff can provide assistance with zero-emission technologies and emission reduction strategies, as needed. Please include CARB on your list of selected State agencies that will

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receive the FEIR. If you have questions, please contact Stanley Armstrong, Air Pollution Specialist via email at stanley.armstrong@arb.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Matthew O'Donnell". The signature is fluid and cursive, with the first name being more prominent.

Matthew O'Donnell, Chief, Risk Reduction Branch

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