



South Coast Air Quality Management District

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SENT VIA E-MAIL AND USPS:

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Draft Environmental Impact Report (Draft EIR) for the Proposed Altitude Business Centre Project (SCH No.: 2017051060)

South Coast Air Quality Management District (South Coast AQMD) staff appreciates the opportunity to comment on the above-mentioned document. The following comments are meant as guidance for the Lead Agency and should be incorporated into the Final EIR.

South Coast AQMD Staff's Summary of Project Description

The Lead Agency proposes to demolish 87,000 square feet of existing residential and agricultural/dairy uses and construct 25 buildings for general light industrial, warehouse, business park, and self-storage uses totaling 1,219,015 square feet on 72 acres (Proposed Project). The Proposed Project is located on the southeast corner of Kimball Avenue and Euclid Avenue in the City of Chino. Construction is anticipated to begin in 2018 and will occur in three phases (Phases 1, 2, and 3) over a three-year period with overlapping construction and operational years, as suggested by the Traffic Impact and Noise Analysis¹. The Proposed Project is anticipated to be fully operational by 2020². During operations, the Proposed Project is expected to generate 1,317 truck trips per day³.

South Coast AQMD Staff's Summary of Air Quality Analysis

In the Air Quality Analysis section, the Lead Agency quantified the Proposed Project's construction and operational emissions and compared those emissions to South Coast AQMD's recommended regional and localized air quality CEQA significance thresholds. Based on the analyses, the Lead Agency found that the Proposed Project's regional and localized construction air quality impacts would be significant for NO_x at 159.30 pounds per day (lbs/day)⁴. However, with the implementation of Mitigation Measure (MM) 4.3-3, which requires that, during grading activities, all off-road diesel-powered construction equipment greater than 150 horsepower (hp) meet Tier 3 standards⁵, construction-related NO_x emissions would be reduced to 86.07 lbs/day⁶, which is below South Coast AQMD's air quality CEQA significance threshold for construction. The Lead Agency also found that with the implementation of MMs 4.3-5 through 4.3-8, which include vehicle idling restrictions, and among other requirements, the use of electric cargo handling equipment, the Proposed Project's operational air quality impacts would remain significant and unavoidable for NO_x emissions at 486.14 lbs/day⁷. The Lead Agency also prepared a mobile source Health Risk Assessment (HRA), and compared the results to South Coast AQMD's CEQA

¹ Draft EIR. Section 4.10 Noise and Section 4.11 Transportation Traffic.

² *Ibid.* Appendix B: Air Quality Impact Analysis, Health Risk Assessment (HRA) and Supplemental Air Quality Assessment. Page 36.

³ *Ibid.* Section 3 Project Description. Page 3-21.

⁴ *Ibid.* Section 4.3 Air Quality. Page 4.3-20.

⁵ *Ibid.* Page 4.3-28.

⁶ *Ibid.*

⁷ *Ibid.* Page 4.3-25 through 29.

significance threshold of 10 in one million for cancer risk⁸. The Lead Agency found that the Proposed Project's air quality impacts from operations would result in a cancer risk of 6.5 in one million⁹. Additionally, the Lead Agency discussed South Coast AQMD Rules specific to the Proposed Project, such as Rule 1403 – Asbestos Emissions from Demolition/Renovation Activities¹⁰.

South Coast AQMD's 2016 Air Quality Management Plan

On March 3, 2017, the South Coast AQMD's Governing Board adopted the 2016 Air Quality Management Plan (2016 AQMP)¹¹, which was later approved by the California Air Resources Board on March 23, 2017. Built upon the progress in implementing the 2007 and 2012 AQMPs, the 2016 AQMP provides a regional perspective on air quality and the challenges facing the South Coast Air Basin. The most significant air quality challenge in the Basin is to achieve an additional 45 percent reduction in nitrogen oxide (NOx) emissions in 2023 and an additional 55 percent NOx reduction beyond 2031 levels for ozone attainment.

South Coast AQMD Staff's General Comments

South Coast AQMD staff has comments on the Air Quality and HRA analyses. The Lead Agency did not analyze a scenario where construction activities of one development phase overlap with operational activities of one or two development phases. Additionally, South Coast AQMD staff found that the Lead Agency used different exposure parameters for a 30-year residential cancer risk than those discussed in the main body of the HRA in the Draft EIR. Please see the attachment for more information. In the event that the Lead Agency finds that, after revisions to the Air Quality Analysis, the Proposed Project will result in significant air quality impacts during construction, mitigation measures will be required. Additionally, since the Proposed Project will result in significant and unavoidable NOx emissions during operation, South Coast AQMD staff recommends that the Lead Agency require further operational mitigation measures. The attachment includes a list of potential mitigation measures as guidance to the Lead Agency that should be reviewed for incorporation in the Final EIR. The attachment also includes recommendations to include discussions of South Coast AQMD rules that may be applicable to the Proposed Project.

Conclusion

Pursuant to California Public Resources Code Section 21092.5(a) and CEQA Guidelines Section 15088(b), South Coast AQMD staff requests that the Lead Agency provide South Coast AQMD staff with written responses to all comments contained herein prior to the certification of the Final EIR. In addition, issues raised in the comments should be addressed in detail giving reasons why specific comments and suggestions are not accepted. There should be good faith, reasoned analysis in response. Conclusory statements unsupported by factual information will not suffice (CEQA Guidelines Section 15088(c)). Conclusory statements do not facilitate the purpose and goal of CEQA on public disclosure and are not meaningful, informative, or useful to decision makers and to the public who are interested in the Proposed Project. Further, when the Lead Agency makes the finding that the recommended changes to the existing MMs 4.3-3 and 4.3-6 and new mitigation measures are not feasible, the Lead Agency should describe the specific reasons for rejecting them in the Final EIR (CEQA Guidelines Section 15091).

⁸ South Coast AQMD has developed the CEQA significance threshold of 10 in one million for cancer risk. When South Coast AQMD acts as the Lead Agency, South Coast AQMD staff conducts a HRA, compares the maximum cancer risk to the threshold of 10 in one million to determine the level of significance for health risk impacts, and identifies mitigation measures if the risk is found to be significant.

⁹ Draft EIR. Appendix B: Air Quality Impact Analysis, Health Risk Assessment (HRA) and Supplemental Air Quality Assessment. Page 1.

¹⁰ South Coast AQMD. Rule 1403 – Control of Emissions from Demolition/Renovation Activities. Accessed at: <http://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1403.pdf>

¹¹ South Coast AQMD. March 3, 2017. 2016 Air Quality Management Plan. Accessed at: <http://www.aqmd.gov/home/library/clean-air-plans/air-quality-mgt-plan>.

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 Alina Mullins, Assistant Air Quality Specialist, at amullins@aqmd.gov or (909) 396-2402, should you have any questions.

Sincerely,

Lijin Sun

Lijin Sun, J.D.

Program Supervisor, CEQA IGR

Planning, Rule Development & Area Sources

Attachment

LS:AM

SBC190501-16

Control Number

ATTACHMENT

Air Quality Impact Analysis – Overlapping Construction and Operational Impacts

1. Based on a review of the Air Quality Impact Analysis, South Coast AQMD staff found that the Lead Agency did not consider nor analyze a scenario where construction activities overlap with operational activities (e.g., one phase implementing the Proposed Project is operational while another phase implementing the Proposed Project is under construction). Since implementation of the Proposed Project is expected to occur over a multi-year timeframe of three years from 2018 to 2020¹², an overlapping construction and operation scenario is reasonably foreseeable, unless the Proposed Project includes requirement(s) that will prohibit overlapping construction and operational activities. To conservatively analyze a worst-case impact scenario that is reasonably foreseeable at the time the Draft EIR is prepared, South Coast AQMD staff recommends that the Lead Agency use its best efforts to identify the overlapping construction and operational years, combine construction emissions (including emissions from demolition) with operational emissions, and compare the combined emissions to South Coast AQMD's air quality CEQA *operational* thresholds of significance to determine the level of significance in the Final EIR.

Health Risk Assessment Analysis

2. Upon a review of Appendix B: Air Quality Impact Analysis, Health Risk Assessment (HRA) and Supplemental Air Quality Assessment¹³ and the technical files¹⁴, South Coast AQMD staff found that the Lead Agency discussed the exposure parameters for residents, school, and offsite worker scenarios based on the 2015 OEHHA Guidelines. Upon further review of the detailed health risk calculations, South Coast AQMD staff found that the Lead Agency used different exposure parameters than those discussed in the main body of the Draft EIR. For example in the main body of the Draft EIR, the Lead Agency discussed the exposure assumptions for a 30-year residential cancer risk for age bins "0 to 2" and "2 to 16". The respective daily breathing rates are 1090 and 572, and the respective age sensitivity factors are 10 and 3¹⁵. Upon a review of the exposure factors used to calculate contaminant intake, South Coast AQMD staff found that for age bins "0 to 2" and "2 to 16" the Lead Agency used a different daily breathing rate of 461 and a different age sensitivity factor of 2.6¹⁶. Therefore, South Coast AQMD staff recommends that the Lead Agency provide an explanation for using different breathing rates and age sensitivity factors in the risk calculations than those discussed in the main body of the Draft EIR. Alternatively, South Coast AQMD staff recommends the Lead Agency revise the HRA to use the most conservative risk exposure parameters to estimate the Proposed Project's cancer risk in the Final EIR.

Recommended Revisions to Existing Mitigation Measures

3. The Lead Agency has committed to implementing mitigation measures to reduce the Proposed Project's significant air quality impacts from construction and operations. These mitigation measures include, but are not limited to, Mitigation Measure (MM) 4.3-3 and MM 4.3-6. MM 4.3-3 requires that during grading activities, construction equipment greater than 150 horsepower shall be California Air Resources Board (CARB) Tier 3 Certified or better. MM 4.3-6 requires that, at a minimum, the Proposed Project is designed to include preferential parking for clean air vehicles, the use of electric-powered cargo handling equipment, and installation of water efficiency features. To further reduce the Proposed Project's air quality impacts, particularly from NOx emissions during operation, South

¹² Draft EIR. Section 1 Executive Summary. Page 1-4.

¹³ *Ibid.* Appendix B: Air Quality Impact Analysis, Health Risk Assessment (HRA) and Supplemental Air Quality Assessment.

¹⁴ *Ibid.* Appendix 2.2.: Risk Calculations.

¹⁵ *Ibid.* Appendix B: Air Quality Impact Analysis, Health Risk Assessment (HRA) and Supplemental Air Quality Assessment. Page 17.

¹⁶ *Ibid.*

Coast AQMD staff recommends that the Lead Agency incorporate the following revisions to existing mitigation measures in the Final EIR.

MM 4.3-3

Prior to grading permit issuance, the City of Chino Planning Division and City of Chino Engineering Division shall review and approve a construction management plan in accordance with City of Chino Municipal Code Section 20.23.210. The construction management plan shall include the following note. Project contractors shall be required to comply with these notes and permit periodic inspection of the construction site by City of Chino staff to confirm compliance.

- a) During ~~grading~~ all construction activity, all construction equipment with more than ~~150~~ 50 horsepower shall be California Air Resources Board (CARB) ~~Tier 3~~ Tier 4 Certified or better. Such equipment should be outfitted with Best Available Control Technology (BACT) devices including, but not limited to, a CARB certified Level 3 Diesel Particulate Filters (DPF). Level 3 DPFs are capable of achieving at least an 85 percent reduction in particulate matter emissions. A list of CARB verified DPFs are available on the CARB website. Additionally, the Lead Agency should include this requirement in applicable bid documents, and that successful contractor(s) must demonstrate the ability to supply compliant equipment prior to the commencement of any construction activities.

MM 4.3-6

Prior to the issuance of a building permit, the Project Applicant shall provide documentation to the City of Chino demonstrating that the Project is designed to exceed the California Energy Code (Title 24, Part 6) standards in effect at the time of building permit application submittal by three (3) percent and includes the energy efficiency design features listed below at a minimum.

- a) The Lead Agency should ensure that the Proposed Project is constructed with the appropriate infrastructure to meet the three percent exceedance of the California Energy Code (Title 24, Part 6) standards and facilitate sufficient electric charging for passenger vehicles and trucks to plug-in. Electrical panels should be appropriately sized to allow for future expanded use. The Lead Agency should also include analyses to evaluate and identify sufficient power available for zero emission passenger cars and trucks, and supportive infrastructures (e.g., EV charging stations) in the Energy and Utilities and Service Systems Sections of the Final EIR, where appropriate. Additionally, the Lead Agency should implement a rideshare program for warehouse and other commercial employees, and set a goal to achieve a certain participation rate over a period of time. The Lead Agency should provide incentives for employees to encourage the use of public transportation or carpooling, such as discounted transit passes, carpool rebates, such as preferential parking locations for carpool, vanpool, EVs and CNG vehicles;
- b) All outdoor cargo handling equipment (e.g., yard trucks, hostlers, yard goats, pallet jacks, forklifts) shall be electric-powered; and
- c) All fixtures installed in restrooms and employee break areas shall be U.S. EPA Certified WaterSense or equivalent.

Additional Recommended Mitigation Measures

4. 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. In the event that, upon revisions to the Air Quality Analysis based on Comment No. 1, the Lead Agency finds the Proposed Project would result in significant air quality impacts during construction, mitigation would be required (CEQA Guidelines Section 15126.4). South Coast AQMD staff has compiled a list of

recommended construction mitigation measures as suggested resources and guidance to the Lead Agency to assist in the identification of feasible mitigation measures for incorporation in the Final EIR. Additionally, to further reduce the Proposed Project's significant and unavoidable operational NOx emissions, and to facilitate the achievement of goals and attainment timelines outlined in the 2016 AQMP, South Coast AQMD staff recommends that the Lead Agency incorporate the following operational mitigation measures in the Final EIR. For more information on potential mitigation measures as guidance to the Lead Agency, please visit South Coast AQMD's CEQA Air Quality Handbook website¹⁷.

Mitigation Measure for Construction Air Quality Impacts

- Require the use of zero-emission (ZE) or near-zero emission (NZE) on-road construction haul trucks (e.g., material delivery trucks and soil import/export) such as heavy-duty trucks with natural gas engines that meet the California Air Resources Board (CARB)'s adopted optional NOx emission standard at 0.02 grams per brake horsepower-hour (g/bhp-hr). When requiring ZE or NZE on-road haul trucks, the Lead Agency should include analyses to evaluate and identify sufficient power and supportive infrastructure available for ZE/NZE trucks in the Energy and Utilities and Service Systems Sections of the Final EIR, where appropriate.

At a minimum, require that construction vendors, contractors, and/or haul truck operators commit to using 2010 model year¹⁸ or newer engines that meet CARB's 2010 engine emission standards at 0.01 g/bhp-hr of particulate matter (PM) and 0.20 g/bhp-hr of NOx emissions or newer, cleaner trucks. Early implementation of the Truck and Bus Regulation at the Proposed Project will help establish in the construction management plan a preference for construction contractor(s) who can supply 2010 model year trucks earlier than 2023, provide time and opportunities to resolve implementation challenges ahead of 2023, facilitate the transition to 2010 model year trucks in 2023, ease the costs and burden of regulatory compliance, and yield emission reductions from fleets earlier than 2023.

To monitor and ensure ZE, NZE, or 2010 model year trucks are used at the Proposed Project, the Lead Agency should require that operators maintain records of all trucks associated with the Proposed Project's construction and make these records available to the Lead Agency upon request. The records will serve as evidence to prove that each truck called to the Proposed Project during construction meets the minimum 2010 model year engine emission standards. Alternatively, the Lead Agency should require periodic reporting and provision of written records by contractors, and conduct regular inspections of the records to the maximum extent feasible and practicable.

- Maintain equipment maintenance records for the construction portion of the Proposed Project. All construction equipment must be tuned and maintained in compliance with the manufacturer's recommended maintenance schedule and specifications. All maintenance records for each equipment and their construction contractor(s) should be made available for inspection and remain on-site for a period of at least two years from completion of construction.

¹⁷ South Coast AQMD. Accessed at: <http://www.aqmd.gov/home/regulations/ceqa/air-quality-analysis-handbook>.

¹⁸ CARB adopted the statewide On-Road Truck and Bus Regulation in 2010. The Regulation requires diesel trucks and buses that operate in California to be upgraded to reduce emissions. Newer heavier trucks and buses must meet particulate matter filter requirements beginning January 1, 2012. Lighter and older heavier trucks must be replaced starting January 1, 2015. By January 1, 2023, nearly all trucks and buses will need to have 2010 model year engines or equivalent. More information on the CARB's Truck and Bus Regulations is available here: <https://www.arb.ca.gov/msprog/onrdiesel/onrdiesel.htm>.

- Encourage construction contractors to apply for South Coast AQMD “SOON” funds. The “SOON” program provides funds to applicable fleets for the purchase of commercially-available low-emission heavy-duty engines to achieve near-term reduction of NOx emissions from in-use off-road diesel vehicles. More information on this program can be found at South Coast AQMD’s website: <http://www.aqmd.gov/home/programs/business/business-detail?title=off-road-diesel-engines>.

Mitigation Measures for Operational Air Quality Impacts from Mobile Sources

- Require the use of ZE or NZE heavy-duty trucks during operation, such as trucks with natural gas engines that meet CARB’s adopted optional NOx emission standard of 0.02 grams per brake horsepower-hour (g/bhp-hr). At a minimum, require that operators of heavy-duty trucks visiting the Proposed Project during operation commit to using 2010 model year¹⁹ or newer engines that meet CARB’s 2010 engine emission standards of 0.01 g/bhp-hr for particulate matter (PM) and 0.20 g/bhp-hr of NOx emissions or newer, cleaner trucks. Include analyses to evaluate and identify sufficient power available for zero emission trucks and supportive infrastructures in the Energy and Utilities and Service Systems Sections of the Final EIR, where appropriate.

To monitor and ensure ZE, NZE, or 2010 model year trucks are used at the Proposed Project, the Lead Agency should require that operators maintain records of all trucks associated with the Proposed Project’s operation, and make these records available to the Lead Agency upon request. The records will serve as evidence to prove that each truck called to the Proposed Project during operation meets the minimum 2010 model year engine emission standards. Alternatively, the Lead Agency should require periodic reporting and provision of written records by operators, and conduct regular inspections of the records to the maximum extent feasible and practicable.

- Limit the daily number of truck trips allowed at the Proposed Project to the level that was analyzed in the Final EIR (e.g., 1,317 daily truck trips). If higher daily truck volumes are anticipated during operation than what was analyzed in the Draft EIR, the Lead Agency should commit to re-evaluating the Proposed Project’s air quality and health risks impacts through CEQA prior to allowing higher activity levels (CEQA Guidelines Section 15162).
- Require trucks to use the truck routes that were used to analyze the air quality and HRA impacts in the Final EIR.
- Enforce the City’s designated truck routes, which are discussed in Appendix J: Traffic Impact Analysis (TIA)²⁰ of the Draft EIR.
- Have truck routes clearly marked with trailblazer signs, so that trucks will not enter residential areas that are adjacent to portions of the designated truck routes analyzed in the Final EIR.
- Restrict overnight truck parking in residential areas. Establish parking within the Proposed Project where trucks can rest overnight.

¹⁹ CARB adopted the statewide On-Road Truck and Bus Regulation in 2010. The Regulation requires diesel trucks and buses that operate in California to be upgraded to reduce emissions. Newer heavier trucks and buses must meet particulate matter filter requirements beginning January 1, 2012. Lighter and older heavier trucks must be replaced starting January 1, 2015. By January 1, 2023, nearly all trucks and buses will need to have 2010 model year engines or equivalent. More information on the CARB’s Truck and Bus Regulations is available here: <https://www.arb.ca.gov/msprog/onrdiesel/onrdiesel.htm>.

²⁰ Draft EIR. Appendix J: Traffic Impact Analysis. Pages 63 and 68.

- Establish area(s) within the Proposed Project site for repair needs and ensure that these designated areas are away from any sensitive land uses.

Mitigation Measures for Operational Air Quality Impacts from Area Sources

- Maximize the use of solar energy including solar panels. Installing the maximum possible number of solar energy arrays on the building roofs and/or on the Proposed Project site to generate solar energy for the facility and/or EV charging stations.
- Require the use of electric landscaping equipment, such as lawn mowers and leaf blowers.
- Require use of electric or alternatively fueled sweepers with HEPA filters.
- Maximize the planting of trees in landscaping and parking lots.
- Use light colored paving and roofing materials.
- Utilize only Energy Star heating, cooling, and lighting devices, and appliances.

Responsible Agency, Permits, and Compliance with South Coast AQMD Rules

5. Implementation of the Proposed Project may require permits from South Coast AQMD. If operation of the Proposed Project will involve the use of stationary diesel-fueled internal combustion or compression engines (i.e., generators or firefighting equipment), South Coast AQMD Rule 1470 – Requirement for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines²¹ and South Coast AQMD Rule Series 1146 – Emissions of Oxides of Nitrogen from Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters²², including Rule 1146.1 – Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters²³ and Rule 1146.2 – Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers and Process Heaters²⁴ would apply and should be discussed in the Air Quality Section of the Final EIR. Therefore, South Coast AQMD staff recommends that the Lead Agency consult with South Coast AQMD Permitting and Engineering staff as early as feasible to determine permit requirements and any applicable rules and regulations that should be discussed in the CEQA document for the Proposed Project. Additionally, in the event that the Proposed Project will require new stationary equipment that requires a permit from South Coast AQMD, the Lead Agency should identify South Coast AQMD as a Responsible Agency for the Proposed Project in the Final EIR. Questions on permits and applicable South Coast AQMD rules can be directed to South Coast AQMD’s Engineering and Permitting staff at (909) 396-3385. For more general information on permits, please visit South Coast AQMD’s webpage at: <http://www.aqmd.gov/home/permits>.

²¹ South Coast AQMD. Rule 1470 – Requirement for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines. Accessed at: <http://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1470.pdf>.

²² South Coast AQMD. Rule 1146 – Emissions of Oxides of Nitrogen from Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters. Accessed at: <http://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1146.pdf>.

²³ South Coast AQMD. Rule 1146.1 – Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters. Accessed at: <http://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1146-1.pdf>.

²⁴ South Coast AQMD. Rule 1146.2 – Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers and Process Heaters. Accessed at: <http://www.aqmd.gov/docs/default-source/rule-book/reg-xi/rule-1146-2.pdf>.