**SENT VIA E-MAIL:** 

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# Mitigated Negative Declaration (MND) for the Proposed 16201, 16215, 16227, 16231, 16239, 16251, and 16275 West Raymer Street Project (Proposed Project) (SCH No. 2024100131)

South Coast Air Quality Management District (South Coast AQMD) staff appreciate the opportunity to review the above-mentioned document. The City of Los Angeles is the California Environmental Quality Act (CEQA) Lead Agency for the Proposed Project. To provide context, South Coast AQMD staff (Staff) has provided a brief summary of the project information and prepared the following comments.

## South Coast AQMD Staff's Summary of Project Information in the MND

Based on information provided in the MND, the Proposed Project consists of construction and operation of an approximately 123,464 square foot (sq ft) industrial warehouse facility with 14 dock doors on 5.5 acres.<sup>1</sup> The air quality emissions modeled for the Proposed Project assumes the warehouse will be unrefrigerated.<sup>2</sup> A transportation assessment study conducted for the Proposed Project anticipates that it will generate 296 vehicle trips per day with a net increase of 177 vehicle trips per day (of which up to 49 trips may be associated with truck trips<sup>3</sup>).<sup>4</sup> The nearest sensitive receptors (residential land uses) are located approximately 800 feet (ft) north of the Proposed Project site.<sup>5</sup> Project construction is anticipated to take approximately 11 months and begin in the third quarter of 2024.<sup>6</sup> The project is located on three contiguous parcels at 16201 through 16275 West Raymer Street, Los Angeles, California, 91406.<sup>7</sup>

#### South Coast AQMD Staff's Comments

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

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)

<sup>&</sup>lt;sup>1</sup> Draft Mitigated Negative Declaration for the 16201-16275 Raymer Street Project. 2. Executive Summary. Pg 7.

<sup>&</sup>lt;sup>2</sup> *Ibid.* Air Quality and Greenhouse Gases Appendix, 16201 Raymer Street Project. PDF Pg 2 of 47.

<sup>&</sup>lt;sup>3</sup> *Ibid.* 4. Environmental Checklist, III. Air Quality. Pg. 35.

<sup>&</sup>lt;sup>4</sup> *Ibid.* Appendix E, Table 3 – VMT Calculator Results. Pg 8.

<sup>&</sup>lt;sup>5</sup> *Ibid.* 4. Environmental Checklist, III. Air Quality. Pg 30.

<sup>&</sup>lt;sup>6</sup> Ibid. Air Quality and Greenhouse Gases Appendix, 16201 Raymer Street Project. CalEEMod Output File. Pg 32 of 45.

<sup>&</sup>lt;sup>7</sup> *Ibid.* 3. Project Description. Pg. 10.

Program, and Rule 316 - Fees for Rule 2305. Rules 2305 and 316 are rules that reduce regional and local emissions of nitrogen oxides (NOx) and particulate matter (PM), including diesel PM. For communities located near warehouses, these emission reductions reduce public health impacts 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 sq ft. 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. They can, however, 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 123,464 sq ft 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 obligation<sup>8</sup>. South Coast AOMD staff is available to answer questions concerning Rule 2305 implementation and compliance by phone or email at (909) 396-3140 or waireprogram@aqmd.gov. For implementation guidance documents and compliance and reporting tools, please visit South Coast AQMD's WAIRE Program webpage.<sup>9</sup>

## South Coast AQMD Air Permits and Role as a Responsible Agency

The MND states that the CalEEMod air quality emissions for the operation phase of the Proposed Project were modeled assuming a generalized *Industrial Park* land use type because this, "land use type reflects the possibility that the Project could consist of a range of light industrial, light manufacturing, warehouse, and ancillary (e.g., related office space) uses." <sup>10</sup> 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, spray booths, etc., air permits from South Coast AQMD will be required and 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. Furthermore, 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 evaluating the applications for air permits. For these reasons, the Final MND should include a

<sup>&</sup>lt;sup>8</sup> South Coast AQMD Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program. Accessed at: <a href="http://www.aqmd.gov/docs/default-source/rule-book/reg-xxiii/r2305.pdf">http://www.aqmd.gov/docs/default-source/rule-book/reg-xxiii/r2305.pdf</a>.

<sup>&</sup>lt;sup>9</sup> South Coast AQMD WAIRE Program. Accessed at: <a href="http://www.aqmd.gov/waire.">http://www.aqmd.gov/waire.</a>

<sup>&</sup>lt;sup>10</sup> Draft Mitigated Negative Declaration for the 16201-16275 Raymer Street Project. Air Quality and Greenhouse Gases Appendix, 16201 Raymer Street Project. PDF Pg 2 of 47.

discussion about any new stationary and portable equipment requiring South Coast AQMD air permits and identify South Coast AQMD as a Responsible Agency for the Proposed Project.

The Final MND should also include calculations and analyses for construction and operation emissions from any new stationary and portable sources, as this information will also 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="http://www.aqmd.gov/home/permits">http://www.aqmd.gov/home/permits</a>.

## Conclusion

South Coast AQMD staff recommends the Lead Agency revise the CEQA analysis to address the aforementioned comments and provide the necessary evidence to sufficiently support the conclusions reached. If the requested information and analysis are not included in the final CEQA document, either the Final MND or other type of CEQA document, the Lead Agency should provide reasons for not doing so. Pursuant to California Public Resources Code Section 21092.5(b) and CEQA Guidelines Section 15074, prior to approving the Proposed Project, the Lead Agency shall consider the MND for adoption together with any comments received during the public review process and notify each public agency when any public hearings are scheduled. Please provide South Coast AQMD with written responses to all comments contained herein prior to the adoption of the Final MND. When responding to issues raised in the comments, detailed reasons supported by substantial evidence in the record to explain why specific comments and suggestions are not accepted must be provided. In addition, if the Lead Agency decides to adopt the Final MND, please provide South Coast AQMD with a notice of any scheduled public hearing(s).

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 Evelyn Aguilar, Air Quality Specialist, at <a href="mailto:eaguilar@aqmd.gov">eaguilar@aqmd.gov</a> should you have any questions.

Sincerely,

Sam Wang

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