



Air Resources Board



Matthew Rodriguez
Secretary for
Environmental Protection

Mary D. Nichols, Chairman
1001 I Street • P.O. Box 2815
Sacramento, California 95812 • www.arb.ca.gov

Edmund G. Brown Jr.
Governor

April 16, 2013

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CITY OF MORENO VALLEY
Planning Division

Mr. John Terell
Planning Official
Community and Economic Development Department
Planning Division
14177 Frederick Street
Post Office Box 88005
Moreno Valley, California 92552

Dear Mr. Terell:

The California Air Resources Board (ARB) is providing comments regarding the Draft Environmental Impact Report (EIR) for the proposed World Logistics Center (Center) a 3,918 acre project which includes 2,710 acres for logistics warehousing to be developed by the project applicant Highland Fairview. This new facility provides an opportunity to create a state-of-the-art-facility that promotes the use of the cleanest technologies available during both the construction phase and full project build-out.

The Center includes a number of features that attempt to mitigate the impacts of the increase in diesel truck traffic in the region as well as emissions from project construction. These features include designated truck routes to direct trucks away from a nearby residential community, design principles that include special edge treatments to provide a buffer between the Center and an existing residential community, sustainability principles that encourage active transportation, and the requirement for all heavy-duty trucks entering the facility to meet or exceed 2010 emission standards or be powered by an alternative fuel. Nonetheless, the long-term operation of diesel trucks will have a significant impact in the region. Given the magnitude and scope of the Center, these features need to be expanded to include emerging zero-emission technology for the equipment that will serve the facility.

At full project build-out, emissions from diesel trucks will be the largest contributor to cancer risk from the Center. ARB staff believes that technology capable of

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California Environmental Protection Agency

zero-emissions will be available for additional applications, including trucks, in the early years of full project build-out. The final project conditions should support development of this technology and provide for its use to better protect the health of nearby residents from the harmful effects of fine particle pollution (including diesel particulate matter), ensure the emission reductions required to attain air quality standards for all pollutants, and reduce greenhouse gases.

Background

The proposed Center project area covers 3,918 acres in eastern Moreno Valley (near Highway 60 and roughly 75 miles east of the Ports of Los Angeles and Long Beach). The entire project area is covered by a City of Moreno Valley General Plan Amendment that proposes to redesignate 2,635 acres for logistics development, with the remaining area designated for use as public utility, open space, or utility extensions. Currently, the Center project area is designated as a mix of residential, commercial, business park, and open space land uses.

Within the project area, 2,710 acres are included in a proposed World Logistics Center Specific Plan (Specific Plan). The Specific Plan allows for up to 41.4 million square feet of high-cube logistics (logistics development) including 20,000 square feet of land for logistics support for vehicle fueling, as well as 200,000 square feet of warehouse and related uses (light logistics). The project area will be built-to-suit under the requirements of the Specific Plan, individual development permits, and mitigation required as a result of the EIR. It is proposed that the Center be built in two phases with development build-out years of 2017 for Phase 1 and 2022 for Phase 2. At full project build-out it is expected that on average about 58,300 non-diesel vehicles and 12,700 heavy duty diesel vehicles will operate at the facility daily.

Existing land use surrounding the proposed Center is the Highland Fairview Corporate Park and State Route 60 to the north; San Jacinto Wildlife Area and Lake Perris State Recreation Area to the south; vacant hillsides and scattered Residential to the east; and Suburban Residential Neighborhood to the west.

The draft EIR presents several analyses of the Center's potential air quality impacts at both a regional and local level. The document presents two scenarios: 1) the "No Project" scenario in which assumes full build-out of the City of Moreno Valley General Plan in 2035 except for the project site, and 2) the "With Project" scenario which assumes the project were built-out in accordance with its proposed phased build-out schedule and then added to the No Project scenario. Both of the scenarios reflect the benefits of adopted ARB and federal regulations that are reducing emissions from the transportation sector over time. The draft EIR also assesses the maximum individual

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cancer risk (risk) to residents in the neighboring residential community from Center emissions. When risk from the two scenarios is compared, there is an estimated net increase in risk from the Center (with proposed mitigation) of 20.9 chances in a million.

The draft EIR also presented year-by-year estimated greenhouse gas emissions from Center operations in 2014 through 2022. Even after all feasible mitigation is implemented, Center-related greenhouse gas emissions will exceed the South Coast Air Quality Management District significance threshold of 10,000 million metric tons of carbon dioxide equivalents per year by a wide margin. At full project build out in 2022 (including all mitigation and project design features), total projected greenhouse gas emissions exceed 665,000 million metric tons of carbon dioxide equivalents per year. Impacts related to greenhouse gas emissions and climate change will be significant and unavoidable.

ARB staff concludes that the proposed Center would increase the health risk in the immediate area and the project should utilize all existing and emerging zero-emission technology and implement land use decisions that minimize diesel exposure to the neighboring community.

Recommendations

The majority of the localized cancer risk for the Center is attributable to the increase in diesel PM from the construction and long-term operation of the facility. The draft EIR estimates a net increase in diesel PM from the Center's total operational emissions of 24 pounds per day in 2017 and 54 pounds per day in 2022 (total operations include truck yards, local roadways internal to the project site, local surface streets, and main freeway segments in the project area). Consequently, ARB staff recommends actions to support the development, demonstration, and deployment of zero- and near zero-emission technology to reduce localized health risk and regional emissions. We believe that use of these technologies is feasible within the build-out years of the Center, consistent with the California Environmental Quality Act definition:

"Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors. (California Code of Regulations, title 14, section 15364)

The Specific Plan should be modified to require the use of the cleanest technologies within the Center as a project and lease condition accordingly:

1. From the onset, require that all medium-heavy and heavy-heavy duty trucks, including any alternative fuel vehicles, meet or exceed the 2010 emission standards. As it becomes available, require that trucks traveling between the Center and any ports or railyards within 100 miles use zero/near zero technology.
2. Require, to the greatest extent possible, on-site service vehicles and equipment use zero emission technology and, if zero-emission technology is unavailable, that all vehicles and equipment meet the cleanest applicable emission standard.
3. Require, when available, the use of zero-emission property maintenance equipment.

In addition, proposed mitigation measure 4.3.6.2A (construction equipment exhaust mitigation) should require the use of electric construction tools, when available and feasible, rather than just provide electric hookups. In addition, require all construction fleets be in compliance and monitor compliance with current air quality regulations for off-road equipment. Proposed mitigation measure 4.3.6.3B (localized construction and operations emission mitigation) should require all tenants be in compliance and monitor compliance with all current air quality regulations for on-road trucks including ARB's Heavy-Duty Greenhouse Gas Regulation and Truck and Bus Regulation. ARB is available to provide assistance in implementing this recommendation.

ARB recommends these additional mitigation measures to further minimize impact to the surrounding community:

1. The developer, Highland Fairview, or the City of Moreno Valley provide incentives for tenants to encourage the use of alternative modes of commuting by their employees including, but not limited to, active transportation, public transportation, car pool, and the use of zero-emission vehicles. These same methods of transportation should be strongly encouraged or required for movement within the Center area.
2. Shift the proposed development along the west side of the project area to focus on light logistics or other uses to ensure that any operations of diesel trucks or equipment are at least 1000 feet away from residential occupied or zoned property or other sensitive receptor.
3. Minimize all traffic, beyond just heavy-duty truck traffic, by limiting the use of the "D" Street entrance to only local residents.

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4. Increase the required distance from any on-site fueling stations to residential occupied or zoned property or other sensitive receptor from 250 feet to 1,000 feet.

Closing

ARB staff appreciated the opportunity to comment on the draft EIR. Given the scale of the facility and the risk associated with the increase in diesel PM from the Project, it is critical that the draft EIR and Specific Plan incorporate the use of advanced technologies as they become available. We are pleased to provide assistance for successful implementation and deployment of a state-of-the-art facility that serves the region's distribution and air quality needs, while protecting public health. If you have questions, please call me at (916) 324-0062 or contact Mr. Jack Kitowski, Assistant Division Chief, Stationary Source Division at (916) 445-6102 or jkitowsk@arb.ca.gov.

Sincerely,



Cynthia Marvin, Chief
Stationary Source Division

cc: Jack Kitowski
Assistant Division Chief
Stationary Source Division

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