



**THE PORT
OF LOS ANGELES**

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: JULY 30, 2013

FROM: ENVIRONMENTAL MANAGEMENT

**SUBJECT: RESOLUTION NO. _____ - FINAL PROGRAM
ENVIRONMENTAL IMPACT REPORT FOR THE PORT MASTER PLAN
UPDATE (ADP NO. 110518-060; SCH NO. 2012071081)**

SUMMARY:

Staff recommends that the Board of Harbor Commissioners (Board) certify the Final Program Environmental Impact Report (PEIR) for the update to the Port Master Plan (PMP) in accordance with the California Environmental Quality Act (CEQA). The update to the PMP will serve as a long-range plan to establish policies and guidelines for future use of Port of Los Angeles' (Port) lands within the coastal zone, as required under the California Coastal Act (CCA). It will consolidate areas characterized by predominant land use patterns, thereby reducing the number of planning areas and would allocate a single allowable land use to most sites. The update to the PMP includes appealable/fill projects, projects that have been previously assessed under CEQA and approved by the Board, and other projects that are currently undefined (i.e., in the conceptual design stage). This Board action does not include approval of any proposed appealable/fill projects or other conceptual projects at this time. The proposed appealable/fill projects included in the update to the PMP are in various planning stages and are expected to be initiated or completed at a future time. Any proposed future project would require subsequent environmental review under CEQA and approval by the Board in a separate future action.

In this action, the Board will need to consider and certify the Final PEIR, make specific Findings of Fact (FOF) regarding the significant environmental impacts of the update to the PMP and mitigation measures to reduce or avoid such impacts, adopt a Statement of Overriding Considerations (SOC), and adopt a Mitigation Monitoring and Reporting Program (MMRP) to track mitigation. With the application of mitigation measures and lease measures, significant and unavoidable impacts from the update to the PMP remain related to air quality and greenhouse gases, biological resources, noise, transportation and circulation, and cumulative impacts. In addition, the update to the PMP would result in disproportionate effects on minority and low-income populations as a result of significant and unavoidable environmental impacts.

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The update to the PMP would foster growth within the Port by increasing productivity of cargo shipping operations, expanding visitor services, and converting vacant lands to productive, revenue generating uses. However the economic benefits cannot be quantified at present.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Certify that the Final Program Environmental Impact Report for the Port Master Plan Update (a) has been completed in compliance with the California Environmental Quality Act (Public Resources Code §21000 et seq.), with the California Environmental Quality Act Guidelines (14 Cal. Code Regs. §15000 et. seq.), and the City of Los Angeles California Environmental Quality Act Guidelines; (b) was presented to the Board of Harbor Commissioners for review and the Board considered the information contained in the Final Program Environmental Impact Report prior to approving the Port Master Plan Update; and (c) reflects the independent judgment and analysis of the City of Los Angeles Harbor Department, and that all required procedures have been completed;
2. Adopt the Findings of Fact and Statement of Overriding Considerations;
3. Find that, in accordance with the information contained in the Final Program Environmental Impact Report, the update to the Port Master Plan will have significant environmental effects on Air Quality and Greenhouse Gases, Biological Resources, Cultural Resources, Geology, Hazards and Hazardous Materials, Noise, Public Services, Transportation and Circulation, and Cumulative Impacts; as defined by Public Resources Code Sections 21068, 21080, 21082.2, and 21083 and the State California Environmental Quality Act Guidelines, Sections 15064, 15064.4, 15064.5, and 15382;
4. Find that, in accordance with the provisions of the California Environmental Quality Act Guidelines Section 15091(a)(1), changes or alterations have been required in, or incorporated into, the update to the Port Master Plan, which substantially lessen or avoid the significant adverse environmental impacts identified in the Final Program Environmental Impact Report;
5. Find that in accordance with the provisions of the California Environmental Quality Act Guidelines Section 15091(a)(3), specific economic, legal, social, technological, or other considerations, make infeasible certain mitigation measures and Alternatives identified in the Final Program Environmental Impact Report. Impacts to Air Quality and Greenhouse Gases, Biological Resources, Noise, Transportation

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and Circulation, and Cumulative Impacts remain significant and unavoidable even after all feasible mitigation is adopted;

6. Find that, all information added to the Final Program Environmental Impact Report after public notice of the availability of the Draft Program Environmental Impact Report for public review but before certification merely clarifies, amplifies, or makes insignificant modifications in an adequate Program Environmental Impact Report and recirculation is not necessary;
7. Find that, in accordance with Public Resources Code Section 21081(b) and California Environmental Quality Act Guidelines Section 15093, the benefits of the update to the Port Master Plan outweigh the significant and unavoidable environmental impacts, and adopt the Findings of Fact and Statement of Overriding Considerations;
8. Adopt the Mitigation Monitoring and Reporting Program as required by Public Resources Code, Section 21081.6. Mitigation measures and lease measures contained in the Program Environmental Impact Report would be incorporated as appropriate in permits, such as, engineering specifications, engineering construction permits, real estate entitlements, and/or coastal development permits for individual future projects. For this reason, the Mitigation Monitoring and Reporting Program would be implemented at the individual project level.
9. Authorize the Environmental Management Division to file the Notice of Determination with the Los Angeles County Clerk, the Los Angeles City Clerk, and the State Secretary of Resources; and
10. Adopt Resolution No. _____.

DISCUSSION:

Background/Context - The City of Los Angeles Harbor Department's (Harbor Department) current PMP provides policies and guidelines to direct the future development of the Port. The current PMP was originally approved by the Board and certified by the California Coastal Commission (CCC) in April 1980, and has been subsequently amended several times. A comprehensive review and update of the current PMP has not been completed since the plan's original certification. In addition, changes in the maritime industry have caused several portions of the PMP to become outdated.

On January 19, 2012, the Board authorized the Harbor Department to initiate a comprehensive update of the PMP. The update to the PMP combines the existing PMP

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and its subsequent amendments into a comprehensive document that reflects the Harbor Department's recent land-use planning studies, including the Terminal Island Land Use Plan and the Wilmington Marinas Planning Study, proposed appealable/fill projects, previously assessed and approved projects, and other projects that are currently undefined in an easily accessible manner.

CEQA Objectives - The primary CEQA objectives of the update to the PMP are:

1. To develop the Port in a manner that is consistent with federal, state, county and city laws, including the California Coastal Act of 1976 and the Charter of the City of Los Angeles.
2. To integrate economic, engineering, environmental and safety considerations into the Port development process for measuring the long-term impact of varying development options on the Port's natural and economic environment.
3. To promote the orderly long-term development and growth of the Port by establishing functional areas for Port facilities and operations.
4. To allow the Port to adapt to changing technology, cargo trends, regulations, and competition from other U.S. and foreign seaports.

Description - The update to the PMP will serve as a long-range plan to establish policies and guidelines for future use of Port lands within the coastal zone, as required under the CCA. It will consolidate areas characterized by predominant land use patterns, thereby reducing the number of planning areas and would allocate a single allowable land use to most sites. The update to the PMP includes appealable/fill projects, projects that have been previously assessed and approved, and other projects that are currently undefined (i.e., in the conceptual design stage). The proposed appealable/fill projects included in the update to the PMP are in various planning stages and are expected to be initiated or completed in the next five years, subject to additional environmental review under CEQA and separate Board action in the future.

A breakdown of the proposed land use changes and proposed appealable/fill projects are presented in Table 1.0. A complete description of the update to the PMP can be found in the Final PEIR (Transmittal 1).

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Table 1.0 - Proposed Appealable/Fill Projects and Land Use Changes

Planning Areas	Appealable/Fill Projects	Land Use Changes
Planning Area 1: San Pedro	None	1: (Mixed Land Use Site): Existing institutional uses at Warehouse No. 1 would remain and/or be changed to visitor-serving commercial.
Planning Area 2: West Basin and Wilmington	Berths 187-189 Liquid Bulk Relocation	2: The liquid bulk terminal at Berths 187-189 (Vopak) would be relocated to Berths 191-194. Berths 187-189 would consist of open space and institutional land uses.
	Yang Ming Terminal Redevelopment, including Cut and Fill (3-acre cut; 6-acre fill)	3: An additional 6 acres of fill at Berths 120-121 and cut of 3 acres of land at Berths 121-127 for the Yang Ming Terminal would be designated as container area.
		4: The liquid bulk facility at Berths 118-120 (Kinder Morgan) would be eliminated and replaced with container cargo uses.
	China Shipping Fill (16-acre fill)	5: An additional 16 acres of fill would be added at Berth 102 for the China Shipping container terminal and designated for container cargo uses.
	None	6: (Optional Land Use Site): Vacant land on Mormon Island between San Clemente Avenue and Hermosa Street would be changed to liquid bulk or break bulk.
Planning Area 3: Terminal Island	Berth 300 Development (18-acre fill)	7: An additional 18 acres of fill would be added at Pier 300 and designated for container cargo uses.
	None	8: (Mixed Land Use Sites): Vacant land at Berths 206-209 would be changed to container, break bulk, and/or dry bulk and dry bulk land at Berths 210-211 would be changed to dry bulk and/or container.
		9: Vacant land between Seaside Avenue and Reeves Avenue and south of Reeves Avenue would be changed to maritime support.
		10: Vacant land along Ferry Street would be changed to maritime support.
		11: The land use consisting of the existing liquid bulk area (ExxonMobil) north of the Terminal Island Water Reclamation Plant (TIWRP) would be replaced with container cargo uses.
		12: The institutional area south of Pier 400 would be changed to open space (least tern habitat).
		13: Existing container area on Pier 400 would be changed to maritime support.
		14: Vacant land, commercial fishing, and industrial areas near Fish Harbor would be changed to container cargo uses.
15: (Optional Land Use Site): Existing maritime support uses at Berth 301 would be changed to container or liquid bulk.		

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Planning Area 4: Fish Harbor	Tri Marine Expansion	None
	338 Cannery Street Adaptive Reuse	None
	Al Larson Marina	16: Land use change from recreational boating to maritime support.
	None	17: (Mixed Land Use Site): Vacant land at Southwest Marine Shipyard would be changed to break bulk and/or maritime support. The surrounding area would be changed to maritime support. 18: Vacant land, commercial fishing, liquid bulk, and institutional land uses at Fish Harbor would be replaced with commercial fishing and maritime support.
Planning Area 5: Water	None	None

ENVIRONMENTAL ASSESSMENT:

CEQA Responsibilities - The Harbor Department is the CEQA lead agency for the update to the PMP. As such, the Board is responsible for reviewing and considering the PEIR and, at its discretion, certifying that the Final PEIR has been completed in accordance with CEQA, the State CEQA Guidelines, and the Los Angeles City CEQA Guidelines; has been presented to the Board for review and the Board considered the information contained in the Final PEIR, and reflects the independent judgment and analysis of the Harbor Department. Certification of the PEIR requires that the Board review and consider the PEIR; adopt the FOF (Transmittal 2) on the significant environmental effects and the feasibility of mitigation measures and alternatives; adopt a SOC (included in Transmittal 2); and adopt a MMRP (Transmittal 3).

Scope and Content of Environmental Document - The Draft PEIR, dated February 2013, incorporates, as appropriate, information received on the Notice of Preparation (NOP) for the update to the PMP, assesses environmental impacts of the update to the PMP, and analyzes alternatives and mitigation measures to reduce or avoid significant environmental effects. The Final PEIR clarifies and amplifies the Draft PEIR, incorporates insignificant modifications and corrections, contains responses to all public comments made on the Draft PEIR, and contains records of the public process.

Intended Uses of the PEIR - The PEIR informs public agency decision-makers and the general public of the significant environmental effects of the Program, recommends mitigation measures to minimize the significant effects, and describes a reasonable

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range of alternatives to the PMP. This document assesses the potential impacts, including unavoidable adverse impacts and cumulative impacts, related to the update to the PMP at a programmatic level. In addition to assessing the impacts of land use changes, the PEIR is intended to serve as the first-tier document for the CEQA review of proposed appealable/fill projects under the update to the PMP. Any of those projects would require subsequent environmental review under CEQA and approval by the Board in a future action.

Environmental Documentation Process and Public Involvement - The update to the PMP was subject to the required environmental documentation process that included public disclosure as required by CEQA. In this case, however, public notification exceeded statutory requirements. The procedural steps of the process are described below.

1. Notice of Preparation (NOP). In accordance with the Los Angeles City CEQA Guidelines, Article VI, Section 1.5 and the State CEQA Guidelines, Section 15082 the responsible agencies, participating City agencies, and other concerned parties were consulted through a NOP released in July 2012 and public scoping meeting held on August 14, 2012. Two individuals commented during the scoping meeting and a total of 20 comment letters were received from various agencies and the public.

Copies of the NOP were available for review online at www.portoflosangeles.org, at the Harbor Department Environmental Management Division office, and at the Los Angeles Main, San Pedro Branch and Wilmington Branch Libraries. The Harbor Department also provided a Spanish/English interpreter at the public scoping meeting.

2. Draft PEIR. The Draft PEIR was released for public review on February 21, 2013. It was made available on the Port of Los Angeles website, at local libraries, and mailed directly to over 700 interested parties. The 45-day comment period closed on April 8, 2013. A public hearing was held on March 13, 2013 at the Banning's Landing Community Center to present the findings of the environmental analysis and receive oral comments.

Public notices of completion stating that the Draft PEIR was available for review were published in five newspapers: Los Angeles Times, Daily Breeze, Long Beach Press Telegram, Random Lengths News and Hoy.

Copies of the Draft PEIR were available for review during this period at the Harbor Department Environmental Management Division office, the Los Angeles City Main Library, San Pedro Branch Library and Wilmington Branch Library. The document

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was also available online at the Port of Los Angeles website (<http://www.portoflosangeles.org>).

3. Responses to Comments. As required by Public Resources Code Section 21092.5, all agencies, organizations, and individuals who commented on environmental issues in the Draft PEIR were provided with responses to comments at least 10 days prior to the Final PEIR being submitted to the Board for certification.
4. Final PEIR. In accordance with the Los Angeles City CEQA Guidelines, Article I, and the State CEQA Guidelines, Section 15088, comments received on the Draft PEIR were evaluated. The comment letters and responses to comments, along with minor modifications to the Draft PEIR are presented in the Final PEIR. The Final PEIR was completed in July 2013.

Findings and Conclusions - The Final PEIR, FOF and SOC, transmitted herewith, identify major findings and conclusions, including a discussion of areas of environmental concern, alternatives, feasible mitigation measures, and unavoidable impacts. The discussion below summarizes the proposed Findings included in Transmittal 2 for the Board's consideration.

1. Areas of Environmental Concern. Through the environmental review process the following areas of environmental concern were identified. These potential impacts and others were assessed in the Final PEIR. The impacts associated with the update to the PMP are discussed in detail, by resource area, in the Final PEIR. Prior to mitigation, the following environmental resource areas would be significant: Air Quality and Greenhouse Gases, Biological Resources, Cultural Resources, Geology, Hazards and Hazardous Materials, Noise, Public Services, Transportation and Circulation, and Cumulative Impacts. After mitigation is applied, significant and unavoidable Program impacts to Air Quality and Greenhouse Gases, Biological Resources, Noise, Transportation and Circulation, and Cumulative Impacts would remain. The update to the PMP would also result in disproportionate environmental effects on minority and low-income populations as a result of the significant and unavoidable impacts discussed above.
2. Alternatives. A total of five alternatives to the PMP update were considered during preparation of this PEIR, which included the Port Community Advisory Committee (PCAC) Plan, the Terminal Island Land Use Plan, a cargo specialization alternative, the No Program Alternative, and the No Fill Alternative. Of these, two alternatives were considered at this stage to be feasible and carried forward for further analysis. These alternatives included:

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- a) No Program Alternative. The No-Program Alternative would not update the PMP, and land uses would remain as specified in the existing PMP and certified amendments. The No Program Alternative would allow build-out of future projects that are consistent with the existing PMP. For example, construction and operation of container or marine oil terminals could occur under the No Program Alternative as long as the projects are consistent with current land uses of the PMP. In contrast, new cut and fill projects are not consistent with current land uses of the PMP and are not included in the No-Program Alternative, as are changes to designated land uses.
 - b) No Fill Alternative. The No Fill Alternative would eliminate the cut/fill projects and associated land use changes (container storage) associated with the fill projects under the update to the PMP.
3. Environmentally Superior Alternative. CEQA requires identification of the Environmentally Superior Alternative. The Environmentally Superior Alternative was determined based on a ranking system that assigned numerical scores comparing the impacts under environmental resource areas for each alternative. Only resource areas with significant impacts were considered. The scoring system ranged from -2 if impacts are considered to be substantially reduced when compared to the proposed update to the PMP, to +2 if impacts are considered to be somewhat greater when compared with the proposed update to the PMP. Chapter 5 of the Draft PEIR presents the scoring system and rankings for the update to the PMP and alternatives.

Based on the above analysis, the No Program Alternative and No Fill Alternative were determined to have similar impacts, and both would result in impacts that are less severe when compared to the proposed update to the PMP in the resource areas related to Air Quality, Biological Resources and Noise. The CEQA Guidelines, Section 15126.6(e) requires that in cases where the No Program Alternative is determined to be the environmentally superior alternative, another alternative must be identified as environmentally superior. Therefore, the No Fill Alternative would be the Environmentally Superior Alternative.

The No Fill Alternative would result in reduced environmental impacts in the resource areas related to Air Quality, Biological Resources, and Noise as compared to the update to the PMP because this alternative would not include construction and operation of the cut/fill projects and associated land use changes (container terminals). Although the No Fill Alternative would result in reduced environmental impacts, it would not result in fewer significant and unavoidable adverse impacts than the update to the PMP. Furthermore, it would not fully meet the update to the PMP's objectives of allowing the Port to adapt to changing technology, cargo trends,

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regulations, and competition. The No-Fill Alternative would not increase berthing capacity and backlands necessary to accommodate long term cargo forecasts. Accordingly, the Board finds that the No Fill Alternative is not a feasible alternative to the update to the PMP because it would not fully accomplish fundamental goals and objectives.

4. Proposed Mitigation Measures. In accordance with the provisions of the Los Angeles City CEQA Guidelines, Article I, the State CEQA Guidelines Section 15091, and the information contained in the PEIR, changes or alterations have been required in, or incorporated into, the update to the PMP in the form of feasible mitigation which substantially lessen or avoid significant adverse environmental impacts identified in the PEIR. Certain mitigation measures were modified/strengthened based on public comments received on the Draft PEIR. Incorporation of additional mitigation measures beyond those identified in the Final PEIR would be infeasible as a result of specific economic, legal, social, technological or other considerations set forth in the FOF.

The proposed update to the PMP is a planning document and would not directly result in any construction or operational changes. Future construction or operational impacts would be expected to occur in association with individual appealable/fill projects and land use changes that are addressed in the update to the PMP. Therefore, mitigation measures contained in the PEIR would be incorporated as appropriate in permits, such as, engineering specifications, engineering construction permits, real estate entitlements, and/or coastal development permits for individual future projects. For this reason, the MMRP would be implemented at the individual project level. A summary list of mitigation measures is included below. All of the mitigation measures are described in detail in the MMRP (Transmittal 3).

Air Quality and Greenhouse Gases (Mitigation measures MM AQ-1 through AQ-6 are consistent with the Harbor Department's Sustainable Construction Guidelines for Reducing Air Emissions. Mitigation measures MM AQ-9 through AQ-16 are consistent with the *San Pedro Bay Ports Clean Air Action Plan, 2010 Update* [CAAP].)

- MM AQ-1: Harbor Craft Used During Construction
- MM AQ-2: Cargo Ships Used During Construction
- MM AQ-3: Fleet Modernization for On-Road Trucks Used During Construction
- MM AQ-4: Fleet Modernization for Construction Equipment (except Vessels, Harbor Craft, and On-Road Trucks)
- MM AQ-5: Construction Best Management Practices
- MM AQ-6: Additional Fugitive Dust Controls

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- MM AQ-7: General Mitigation Measure
- MM AQ-8: Special Precautions near Sensitive Sites
- MM AQ-9: Alternative Maritime Power
- MM AQ-10: Vessel Speed Reduction Program
- MM AQ-11: Cleaner Ocean-Going Vessel (OGV) Engines
- MM AQ-12: OGV Engine Emissions Reduction Technology Improvements
- MM AQ-13: Yard Tractors at Terminals
- MM AQ-14: Yard Equipment at Rail Yards
- MM AQ-15: Yard Equipment at Terminals
- MM AQ-16: Truck Idling Reduction Measure
- MM AQ-17: Periodic Review of New Technology and Regulations
- MM AQ-18: Substitution of New Technology
- MM GHG-1: Energy Efficient Light Bulbs
- MM GHG-2: Energy Audit
- MM GHG-3: Recycling
- MM GHG-4: Tree Planting
- MM GHG-5: Solar Panels
- MM GHG-6: Water Conservation

Biological Resources

- MM BIO-1: Avoid Marine Mammals
- MM BIO-2: Minimize In-water Pile Driving Noise
- MM BIO-3: Avoid and Minimize Impacts to California Least Tern
- MM BIO-4: Conduct Nest Site Surveys
- MM BIO-5: Apply Credits from Existing Port Mitigation Banks

Cultural Resources

- MM CR-1: Cultural Resource Assessment
- MM CR-2: Unanticipated Discovery Procedures
- MM CR-3: Historical Resource Assessment
- MM CR-4: Paleontological Assessment
- MM CR-5: Unanticipated Discovery Procedures

Geology

- MM GEO-1: Emergency Response Planning

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Hazards and Hazardous Materials

- MM HAZ-1: General Mitigation Measure
- MM HAZ-2: Hazards and Operability Studies

Noise

- MM NOI-1: Construction Hours
- MM NOI-2: Construction Days
- MM NOI-3: Construction Equipment
- MM NOI-4: Idling Prohibitions.
- MM NOI-5: Equipment Location
- MM NOI-6: Notification
- MM NOI-7: Use Quiet Equipment
- MM NOI-8: Use Electrical Power when feasible
- MM NOI-9: Disturbance Coordinator
- MM NOI-10: Restricted Pile Driving Hours
- MM NOI-11: Temporary Noise Barriers

Public Services

- MM PS-1: Prepare a Manual in Compliance with the Work Area Traffic Control Handbook (WATCH)

Transportation and Circulation

- MM TRANS-1: I-710 Corridor Improvements

5. Proposed Lease Measures. Lease measures, identified as "LM", related to site remediation and contamination contingency plan requirements would be required in lease agreements issued by the Harbor Department for future discretionary projects. The lease measures are consistent with the Harbor Department's leasing requirements and are described in detail in the MMRP and are included there for tracking and reporting purposes (Transmittal 3). The lease measures would be implemented at the individual project level.
6. Unavoidable Significant Adverse Impacts. Significant impacts of the update to the PMP that could not be reduced below a level of significance are described in the FOF with findings for each impact. The following significant impacts could not be mitigated to a level of insignificance:

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- *Construction Emissions:* Construction emissions were assessed for container terminal and landfill projects in Planning Areas 2 and 3. While the mitigation measures presented in the Final PEIR reduce emissions, emissions would still exceed South Coast Air Quality Management District (SCAQMD) thresholds for the following criteria pollutants during construction: Volatile Organic Compounds (VOCs) Carbon Monoxide (CO), Nitrogen Oxides (NO_x), Suspended Particulate Matter less than 10 microns (PM₁₀), and Suspended Particulate Matter less than 2.5 microns (PM_{2.5}). Mitigation measures AQ-1 through AQ-8 represent feasible means to reduce air pollution impacts from proposed construction sources. Offsite ambient air pollutant concentrations for Nitrogen Dioxide (NO₂) and PM₁₀ would also exceed the SCAQMD thresholds and result in a significant and unavoidable impact during construction.
- *Operational Emissions:* Operational emissions were determined to be significant for container and cargo operations in Planning Areas 2 and 3. While the mitigation measures presented in the Final PEIR reduce emissions, emissions would still exceed SCAQMD thresholds for the following criteria pollutants during operation: VOCs, CO, NO_x, SO_x, PM₁₀, and PM_{2.5}. Mitigation measures AQ-9 through AQ-18 represent feasible means to reduce air pollution impacts from proposed operational sources. Offsite ambient air pollutant concentrations for NO₂, PM₁₀, and PM_{2.5} would also exceed the SCAQMD thresholds and result in a significant and unavoidable impact during operation.
- *Health Risk:* Health risk attributable to the update to the PMP was based upon a comparison of cargo throughput activity associated with previously assessed container terminal projects (i.e. China Shipping Container Terminal Project, TraPac Container Terminal Project, and Berths 302-306 Container Terminal Project) and was determined to be significant as a result of container terminal operations in Planning Areas 2 and 3. The incremental increase in cargo throughput under the proposed Program is expected to result in significant cancer risk and acute non-cancer effects for all receptor types (residential, occupational, sensitive, student and recreational). Mitigation measures AQ-9 through AQ-18 represent feasible means to reduce air pollution impacts from proposed operational sources. With mitigation, cancer risk and acute non-cancer health effects would remain significant and unavoidable for all receptor types.
- *Greenhouse Gases:* Significant impacts would occur during operation of the proposed Program related to combustion of fossil fuels and electricity usage. Mitigation measures AQ-2 through AQ-4, AQ-9, AQ-10, AQ-16, and GHG-1

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through GHG-6 would reduce GHG emissions, but impacts would remain significant and unavoidable.

Biological Resources. Operation of the proposed Program would result in the substantial disruption of local biological communities. Increased vessel calls could increase the risk of introducing non-native invasive species. Mitigation measures BIO-2 and BIO-4 would reduce impacts to local biological communities. However, no feasible mitigation is currently available to fully prevent the introduction of invasive species and therefore impacts would remain significant and unavoidable.

Noise. Construction activities would temporarily and periodically generate noise. Although mitigation measures NOI-1 through NOI-11 would reduce impacts resulting from construction noise, they would not be sufficient to reduce the projected temporary increase in the ambient noise level at receptors at surrounding noise-sensitive land uses to a level below significance.

Transportation and Circulation. The anticipated projects and land use changes under the proposed update to the PMP would result in additional truck trips on surrounding freeways, which are expected to result in significant impacts to freeway links along Interstate 710 (I-710). Mitigation measure TRANS-1 would require the Harbor Department to complete project-specific environmental documentation for projects occurring under the updated PMP to determine project-specific impacts to the I-710. For significantly impacted locations determined in subsequent project-specific environmental documents, the Harbor Department would collaborate with Caltrans and other agencies to identify how potential regional infrastructure improvements are funded. If anticipated I-710 improvements are not yet approved or have been abandoned at the time of consideration of future project-specific approvals under the updated PMP, subsequent environmental documents for such development will evaluate whether alternative infrastructure improvements are both feasible and necessary to mitigate any potential significant impacts of such projects.

Cumulative Impacts. The update to the PMP was analyzed in conjunction with other related projects in the area for its potential to contribute to significant cumulative impacts. The proposed update to the PMP would result in cumulatively considerable contributions to significant cumulative impacts related to air quality, biological resources, and noise. After mitigation, the cumulative impacts related to air quality, biological resources, and noise would remain significant and unavoidable.

The Harbor Department is committed to implementing control measures included in the CAAP that will reduce air emissions and health impacts from future port operations. Currently adopted regulations and future rules proposed by the United States Environmental Protection Agency (USEPA), California Air Resources Board

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(CARB) and SCAQMD also will result in additional reductions in air emissions and associated health impacts from Port operations.

Environmental Justice. While environmental justice applies to federal actions pursuant to the National Environmental Policy Act (NEPA), the Harbor Department includes an environmental justice analysis in all EIRs for disclosure purposes to assess the potential for its actions to have disproportionately high and adverse environmental and health impacts on minority and low-income populations. Significant air quality impacts associated with construction emissions, operational emissions, and health risk would result in disproportionately high and adverse effects on minority and low-income populations.

8. Overriding Considerations. Pursuant to Public Resources Code Section 21081(b), no public agency shall approve or carry out a project for which an EIR has been certified which identifies one or more significant environmental effects that would occur if the project is approved or carried out unless the agency makes the specific findings discussed above with respect to each significant impact and finds that specific overriding economic, legal, social, technological, or other benefits of the project outweigh the significant effects. The Statement of Overriding Considerations must identify the substantial adverse environmental impacts that cannot be mitigated or avoided; make recommendations, if any, by the lead agency that the project or alternatives be approved as proposed; and the reasons why, if in the opinion of the decision-making body, the project warrants approval despite such consequences or recommendations.

The draft FOF and SOC recommended by staff is transmitted for Board consideration and adoption. Staff, in recommending the proposed update to the PMP for approval, has identified specific environmental, economic, legal, social, technological and other Project benefits. In summary, the proposed update to the PMP provides the following benefits:

- **Fulfills Harbor Department's legal mandates and objectives.** The update to the PMP would fulfill the Harbor Department's legal mandate under the Port of Los Angeles Tidelands Trust (Los Angeles City Charter, Article VI, Sec. 601; California Tidelands Trust Act of 1911) and the CCA (PRC Division 20, Section 30700, et seq.), which identify the Port and its facilities as a primary economic/coastal resource of the state and an essential element of the national maritime industry for promotion of commerce, navigation, fisheries, and harbor operations.
- **Optimizes land uses.** The proposed update to the PMP would optimize land uses by preserving and consolidating cargo shipping operations, increasing

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commercial activities, and enhancing visitor-serving and recreational facilities. Furthermore, the proposed update to the PMP would maximize the utilization of Port lands by designating vacant land for container cargo uses to accommodate the demands of foreign and domestic waterborne commerce.

- **Minimizes land use conflicts.** The proposed update to the PMP would minimize land use conflicts by consolidating general areas with predominant land use patterns within the Port and physically separating incompatible land uses.
- **Enhances public access.** The proposed update to the PMP would improve public access and recreational uses of the San Pedro Waterfront and portions of the Wilmington Waterfront.
- **Fosters Harbor Department's environmental stewardship.** The proposed update to the PMP would enhance the Harbor Department's ability to fulfill its environmental and other stewardship obligations by more clearly designating environmental and cultural resources in the Port's coastal zone and providing protections for those resources.
- **Streamlines CEQA/CDP process.** The proposed update to the PMP would simplify and improve the Harbor Department's CEQA and Coastal Development Permit (CDP) process resulting in a more streamlined system.
- **Fosters economic growth.** The proposed update to the PMP would augment local employment and business opportunities. The proposed update to the PMP will be beneficial to local businesses that support or rely on Port operations.
- **Increases tax revenue.** The proposed appealable/fill projects and land use changes (e.g., increasing productivity of cargo shipping operations, expanding visitor services, and converting vacant lands to productive, revenue generating uses) would lead to increased tax revenues to the City of Los Angeles by expanding the tax base of the area. While it is difficult to quantify the economic benefit that the new facilities would bring until final lease negotiations or construction plans are in place, there would be an overall beneficial impact on local business revenue.

In summary, the proposed update to the PMP would allow the Harbor Department to meet its legal mandates to accommodate growing international commerce, while reducing Port air emissions, and provide jobs to the local economy. The Board hereby finds that the benefits of the proposed update to the PMP described above outweigh the significant and unavoidable environmental effects and are therefore considered acceptable.

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9. Areas of Controversy. It is important for the Board to be informed as to the areas of controversy associated with the update to the PMP. The areas of controversy have been identified through oral and written comments received on the update to the PMP as part of the environmental review and planning processes. The discussion below provides a general overview of the areas of concern identified that staff believes remain controversial. Specific details on issues raised by commenters and the responses to those comments are included in the Final PEIR.

During the Draft PEIR's public review, the Los Angeles Conservancy, the National Trust for Historic Preservation, and several individuals raised concern over the identification and preservation of historical resources. Of major concern are historical resources on Terminal Island and the potential for proposed land uses and planning area boundaries for Terminal Island and Fish Harbor to result in the permanent loss of such resources (e.g. former Japanese Fishing Village, Southwest Marine, Canner's Steam). Facilities associated with the former Japanese Fishing Village have been determined by Harbor Department staff to be eligible for listing and recordation as a historical resource. The update to the PMP was modified to adjust the boundary of land uses and include a mixed land use within Fish Harbor to better accommodate the preservation of facilities associated with Southwest Marine, and mitigation measure MM CR-3: Historical Resources Assessment was modified/strengthened to enhance the preservation of known historical resources. Furthermore, the Board approved the *Built Environment Historic, Architectural, and Cultural Resource Policy* on May 2, 2013. The policy, supported by the LA Conservancy, provides procedures and processes by which the Harbor Department identifies and treats historic resources. The policy commits the Harbor Department to conducting a comprehensive survey of cultural resources in the Port, establishes a protocol for evaluating such resources, and describes the mechanisms that will be used to ensure the preservation and adaptive re-use, where feasible.

10. PEIR Certification. In light of these findings and conclusions, staff recommends certification of the Final PEIR as being prepared in accordance with CEQA and implementing guidelines, and adoption of all feasible mitigation measures and lease measures.
11. Implementation of Mitigation. When making the CEQA findings required by Public Resources Code Section 21081(a), a public agency shall adopt a reporting or monitoring program in accordance with Public Resources Code Section 21081.6 for changes to the Program which it has adopted or made a condition of Program approval in order to mitigate or avoid significant effects on the environment. A MMRP is transmitted for Board consideration and adoption (Transmittal 3). As stated previously, mitigation measures contained in the PEIR would be incorporated as appropriate in permits, such as, engineering specifications, engineering

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construction permits, real estate entitlements, and/or coastal development permits for individual future projects. For this reason, the MMRP would be implemented at the individual project level.

12. Record of Proceedings. When making CEQA findings required by Public Resources Code Section 21081(a), a public agency shall specify the location and custodian of the documents or other material which constitute the record of proceedings upon which its decision is based. These records are in the care of the Director of Environmental Management, City of Los Angeles Harbor Department, 222 W. 6th Street, San Pedro, California 90731.
13. Notice of Determination. In accordance with Los Angeles City CEQA Guidelines, Article I, and the State CEQA Guidelines Section 15094, a Notice of Determination will be filed with the County and City Clerks after the update to the PMP is approved. Public Resources Code Section 21167(c) provides that any action or proceeding alleging that an EIR does not comply with the provisions of CEQA shall be commenced within 30 days after filing the Notice of Determination.

ECONOMIC BENEFITS:

The proposed update to the PMP would foster growth within the Port by increasing productivity of cargo shipping operations, expanding visitor services, and converting vacant lands to productive, revenue generating uses. However the economic benefits cannot be quantified at present.

FINANCIAL IMPACT:

Certification of the Final PEIR and approval of the update to the PMP does not require the Harbor Department to fund any improvements. The total cost to prepare the PEIR is estimated to be \$1.7 million.

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CITY ATTORNEY:

The City Attorney's office has reviewed this Board report and concluded that it raises no legal issues at this time.

TRANSMITTALS:

1. Final Program Environmental Impact Report (FPEIR) - Pending
2. Findings of Fact and Statement of Overriding Considerations (FOF and SOC)
3. Mitigation Monitoring and Reporting Program (MMRP)



CHRISTOPHER CANNON
Director of Environmental Management

FIS Approval:  (initials)
CA Approval:  (initials)



MICHAEL R. CHRISTENSEN
Deputy Executive Director

APPROVED:



GERALDINE KNATZ, Ph.D.
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BOARD MEETING: 8/8/2013

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