



**THE PORT
OF LOS ANGELES**
Executive Director's
Report to the

Board of Harbor Commissioners

DATE: DECEMBER 9, 2010

FROM: PLANNING & ECONOMIC DEVELOPMENT DIVISION

**SUBJECT: RESOLUTION NO. _____ – ISSUANCE OF A LEVEL I
COASTAL DEVELOPMENT PERMIT (NO. 10-08) TO CANNERS
STEAM FOR THE DEMOLITION OF EXTERIOR EQUIPMENT AT 249
CANNERY STREET, TERMINAL ISLAND**

SUMMARY:

Canners Steam is proposing to demolish ancillary exterior equipment at 249 Cannery Street, Terminal Island, to eliminate an imminent risk to human health posed by the presence of asbestos. The scope of the demolition work is limited to the removal of the water conditioning system, which includes ten water tanks and piping, all of which are outside of the Canners Steam Plant (Plant) building and contain asbestos. Staff is recommending the Board of Harbor Commissioners (Board) approve Coastal Development Permit (CDP) No. 10-08, a Level I, non-appealable permit for the proposed project.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Find that the proposed project is in conformity with the Port Master Plan and the California Coastal Act of 1976, as amended, and find that this project will have no significant adverse environmental impacts as provided in the California Environmental Quality Act (CEQA);
2. Authorize the Executive Director to approve the issuance of CDP No. 10-08; consistent with the project description listed on Application for Discretionary Project No. 101103-098; and
3. Adopt Resolution No. _____.

DISCUSSION:

Background – The proposed project consists of demolishing exterior equipment relating to the water conditioning system at the Plant to eliminate an imminent risk to human health. The demolition of the Plant's water conditioning system includes a lime soda tank, three filter tanks, three carbon tanks, a chemical tank, a blow dry tank, a water

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storage tank, and associated piping that is outside the Plant (collectively “exterior equipment”). The Plant was built in 1951 for the purposes of providing steam for the fish canning process. Because of the downturn of fish canning operations at the Port of Los Angeles (Port), the Plant ceased operation in 2004 and is currently unoccupied. As a result of the age and era of the facility’s construction, the Plant and the exterior equipment contain a significant quantity of asbestos. As noted in asbestos surveys in 2005, 2008, and 2010, the condition of the deteriorated facility has resulted in the exposure of asbestos fibers to the public. The Southern California Air Quality Management District (SCAQMD) has issued the Port a Notice to Comply to address the human health hazard that the facility poses. In September 2010, a Certified Industrial Hygienist and a Certified Asbestos Consultant, contracted by Cannery Steam, investigated the plant and associated exterior equipment. Based upon their collective on-site observations and the asbestos surveys, it was determined that the exterior equipment containing asbestos poses an imminent threat to human health and recommended removal.

In November 2004, Jones & Stokes completed an architectural survey and evaluation of the Plant on behalf of the Port. This survey found that the Plant was eligible for listing on the National Register of Historic Places and the California Register of Historical Resources. Although the Plant is eligible for listing, to date it has not been listed as a historical resource. Under Permit 701, Cannery Steam is required to restore the leased premises to its original condition as a prerequisite to vacation. This would normally include the demolition of all site improvements, but because of the potential historic elements at the site, an Environmental Impact Report may be required to demolish the building. Cannery Steam is proposing to demolish only the exterior equipment in order to remove the imminent threat to human health, in accordance with the SCAQMD notice and applicable law. Removal of the exterior equipment is necessary because the asbestos has been found to be pervasive throughout the equipment.

Since 2007, the Port has been in discussions with the Los Angeles Conservancy (Conservancy) concerning the potential historic components of the Cannery Steam Plant and a strategy for proceeding with the demolition. In August 2009, Conservancy staff accompanied Port staff on a tour of the Cannery Steam Plant. To date, the Conservancy has not taken a formal position on either the demolition of the exterior equipment or whether the Plant should be listed as a historical resource.

Coastal Permit Requirements – The proposed project, located in Master Planning Area 8, is a Level I non-appealable project in accordance with the definitions set forth in the *Guidelines for Implementation of the Port of Los Angeles Certified Port Master Plan*. A Level I permit is one of three levels of permits that the Board can issue. Level I permits are issued for developments that involve minimal changes in land/water use, and minor changes in density and intensity of use.

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The proposed project has been found to be consistent with the Port Master Plan as demolishing the proposed equipment would remove the imminent hazard to public health at the site. The proposed project has been found to be consistent with Chapter 3 policies of the California Coastal Act of 1976, as amended. Specifically, Section 30232 requires protection against hazardous substances. The presence of asbestos at the Plant poses an imminent threat to human health.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the removal of all exterior equipment at 249 Cannery Street. This equipment incorporates asbestos containing material (ACM) which, after examination by a Certified Industrial Hygienist and a Certified Asbestos Consultant, has been determined to pose an imminent hazard and recommends its removal as a matter of public health. They also state the safest method for abatement of the ACM is a combination of the wet method removal and the component [equipment] removal techniques. As such, the Director of Environmental Management has determined the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Section 15269 (c) of the State of California CEQA Guidelines.

ECONOMIC BENEFITS:

Demolition under this CDP will have minimal direct employment effect (less than one full-time, one-year equivalent job).

FINANCIAL IMPACT:

Issuance of the proposed Level I CDP will not have a financial impact upon the Harbor Department. All demolition costs will be entirely borne by Cannery Steam.

CITY ATTORNEY:

This action raises no legal issues at this time.

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TRANSMITTALS:


1. Site Location Map
2. Diagram of Cannery Steam Plant
3. CDP No.10-08

FIS Approval: WR (initials)


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Director of Planning & Economic Development


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Deputy Executive Director

APPROVED:

 FOR
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R. Mills
DM:rm
ADP No. 101103-098