



Executive Director's
Report to the
Board of Harbor Commissioners

DATE: JULY 11, 2013

FROM: PLANNING & ECONOMIC DEVELOPMENT

SUBJECT: RESOLUTION NO. _____ – ISSUANCE OF A LEVEL I COASTAL DEVELOPMENT PERMIT (NO. 13-07) TO PHILLIPS 66 COMPANY FOR THE REMOVAL AND ABANDONMENT OF AN INACTIVE UNDERGROUND PIPELINE

SUMMARY:

The City of Los Angeles Harbor Department has requested Phillips 66 Company (Phillips 66) to remove an inactive pipeline located within the footprint of the Front Street Beautification Project area. Staff is recommending the Board of Harbor Commissioners (Board) approve Coastal Development Permit (CDP) No. 13-07, 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 conforms 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;
2. Authorize the Executive Director to approve the issuance of Coastal Development Permit No. 13-07; consistent with the project description listed on Application for Discretionary Project No. 130419-067; and
3. Adopt Resolution No. _____.

DISCUSSION:

Background/Context – A segment of the Union Oil Harbor Pipeline, currently owned by Phillips 66, is located within the Front Street Beautification Project area (Transmittal 1). The Union Oil Harbor Pipeline was previously used to convey crude and fuel oil from the former Harbor Pump Station at Berth 46 to the Phillips 66 Wilmington Refinery. The pipeline has been inactive since the late 1980s and is currently classified as being out-of-service by Office of the State Fire Marshal. CDP No. 13-07 will allow Phillips 66 to remove approximately 954 feet of the 12-inch pipeline impacting the Front Street Beautification Project. Approximately 170 feet will be abandoned in-place. Phillips 66

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will also remove approximately 1,145 feet of the pipeline along Pacific Avenue and Battery Street. Any waste generated from the pipeline abandonment and/or removal activities will be processed at a Phillips 66 approved disposal facility.

Removal of the inactive pipeline is necessary for the Front Street Beautification Project area to proceed. Consistent with Permit No. 643, Phillips 66 was notified of the need to remove the pipeline and submitted an application for the pipeline removal on April 19, 2013.

Coastal Permit Requirements – The proposed project, located in Master Planning Area 3, 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 (Transmittal 2). Level I permits are issued for developments that involve minimal changes in land/water use, and minor changes in density and intensity of use.

The proposed project has been found to be consistent with the Port Master Plan and Chapter 8 policies of the California Coastal Act of 1976, as amended, as it would allow for future port-related development to occur in the vicinity of the project. Specifically, the removal and abandonment of the pipeline is consistent with Section 30708 that requires port-related development to give highest priority to the use of existing land space within harbors for port purposes.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval to issue a CDP to Phillips 66 for removal and abandonment of an inactive underground pipeline. As a project of less than one mile in length within a public street or highway or other right-of-way for the removal of an existing pipeline, the Director of Environmental Management has determined that the proposed action is statutorily exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Section 21080.2 of the State CEQA Guidelines.

ECONOMIC BENEFITS:

The project associated with the proposed CDP will support 7 direct and 7 secondary one-year equivalent jobs for the five-county region.

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FINANCIAL IMPACT:

Issuance of the proposed Level I CDP will not have a financial impact upon the Harbor Department. Phillips 66 will fully bear the cost of \$1,000,000 for the proposed project.

CITY ATTORNEY:

This item raises no legal issues at this time.

TRANSMITTALS:

1. Site Location Map
2. CDP No. 13-07

for 

DAVID L. MATHEWSON
Director of Planning & Economic Development

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


KATHRYN McDERMOTT
Deputy Executive Director

APPROVED:


GERALDINE KNATZ, Ph.D.
Executive Director

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ADP No. 130419-067