



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

Board of Harbor Commissioners

DATE: DECEMBER 21, 2011

FROM: PLANNING & ECONOMIC DEVELOPMENT

**SUBJECT: RESOLUTION NO. _____ – UTILIZATION OF THE PROPOSED
TERMINAL ISLAND LAND USE PLAN IN SUPPORT OF THE PORT
MASTER PLAN UPDATE**

SUMMARY:

In July 2011, the City of Los Angeles Harbor Department (Harbor Department) initiated a planning process for the development of a Terminal Island land use plan. A Terminal Island Plan Working Group (TIPWG) was established with Terminal Island tenants. A series of public working group meetings were held from July 2011 through November 2011 for the purpose of identifying current tenant operations, goals, and future needs. In November 2011, a proposed Terminal Island Land Use Plan was prepared based on the goals and input received through the working group. The proposed Terminal Island Land Use Plan is presented to the Board of Harbor Commissioners (Board) for its information only, in order to report on the results of the planning process that has been undertaken over the last six months. It is requested that the Board direct staff to initiate an update to the Port of Los Angeles Port Master Plan utilizing the proposed Terminal Island Land Use Plan as a framework for proposed land uses on Terminal Island. Preparation of a comprehensive update of the Port Master Plan would require an environmental assessment under the California Environmental Quality Act (CEQA) before it could be presented to the Board for consideration.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Authorize the Executive Director to direct Harbor Department staff to initiate a comprehensive update of the Port Master Plan;
2. Authorize the Executive Director to initiate an environmental assessment in support of the comprehensive Port Master Plan update that will evaluate the proposed Terminal Island Land Use Plan as part of that process; and
3. Adopt Resolution No. _____.

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SUBJECT: UTILIZATION OF TI LAND USE PLAN IN SUPPORT OF THE PMP UPDATE

DISCUSSION:

Terminal Island Plan Working Group – In June 2011, the Harbor Department contracted with Cargo Velocity, LLC (consultant) to assist in facilitating a TIPWG consisting of Harbor Department staff, existing and potential Terminal Island tenants, governmental agencies such as the U.S. Coast Guard and the Federal Bureau of Prisons who are currently located on Reservation Point adjacent to the Terminal Island study area, and members of the public. A total of 36 TIPWG members in addition to the general public participated in the TIPWG meetings. In July 2011, the Harbor Department also contracted with Marine Human Ecosystems Consulting to facilitate discussions with the local commercial fishing community in Fish Harbor and with SWCA Environmental Consultants to conduct a built environment evaluation and historic survey of Terminal Island structures.

Four TIPWG meetings at the U.S. Customhouse were held on Terminal Island from July 2011 through November 2011. Additionally, Harbor Department staff and the consultant met individually or in subgroups with most of the TIPWG members during the planning process. Each TIPWG member received a survey to identify and summarize their future land and facility needs. The first TIPWG meeting was held on July 13, 2011, with the meeting focused on the planning process to be utilized, land and water area constraints, identifying the goals of the planning process, and determining the land and facility needs of the tenants. Goals of the Terminal Island planning process include: remove non water-dependent uses from the planning area, protect the commercial fishing industry, identify potential areas for additional boatyard capacity, accommodate projected cargo throughput, in particular containerized cargo, maximize on-dock rail facilities, accommodate maritime support uses, and minimize tenant relocations. During the second TIPWG meeting held on August 31, 2011, seven land use options were presented reflecting the constraints on Terminal Island and the future needs of the tenants. Based on comments received from TIPWG members, three revised land use options were developed and presented for review and discussion at the third TIPWG meeting on October 27, 2011. TIPWG members reviewed and provided comments on the three revised options, and based on these comments and utilizing the identified goals of the planning process, a proposed Terminal Island Land Use Plan was presented to the TIPWG on November 30, 2011.

TIPWG members provided valuable input in assisting with the development of the proposed Terminal Island Land Use Plan (Transmittal 1). Table 1 summarizes the significant comments and issues from the TIPWG members. The full list of comments is included in the proposed Terminal Island Land Use Plan Summary Report (Transmittal 2).

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Table 1 - Summary of TIPWG Member Comments

TIPWG Member	Summary of Comments
<ul style="list-style-type: none"> • Railroads (PHL, BNSF, & UP) 	Keep loop track
<ul style="list-style-type: none"> • SA Recycling 	Current facility remains in place; if relocated, add second berth
<ul style="list-style-type: none"> • Plains All American 	Do not impact the approved project
<ul style="list-style-type: none"> • Commercial Fishermen 	Remain in Fish Harbor; minimize relocation costs; provide opportunity for direct fish sales to the public
<ul style="list-style-type: none"> • Fish Processors 	Maintain existing facilities and provide long-term leases to allow investment in facilities
<ul style="list-style-type: none"> • Bureau of Sanitation 	Pier 500 could impact the outfall of the Terminal Island Water Reclamation Plant (TIWRP)
<ul style="list-style-type: none"> • ExxonMobil 	Keep existing inland tanks located directly north of the TIWRP, and protect area south of Plains All American inland tanks for additional tank storage
<ul style="list-style-type: none"> • Support Services 	Additional berthing spaces are needed

Proposed Terminal Island Land Use Plan – Significant elements of the proposed Terminal Island Land Use Plan include the following:

- Addition of 225 acres of new landfill
- A total of 1,603 acres for container terminal operations (+351 acres) and 19 container berths (+5 berths)
- A total of 110 acres for maritime support uses with approximately 6,600 linear feet of berthing, including 9 acres (+4 acres) for additional boatyard capacity and space to relocate a marine fueling facility from the San Pedro Waterfront
- Two new on-dock railyards to serve Evergreen and Pier 500
- A total of 21 acres (+13 acres) for commercial fishing and processing, including new piers
- A new 16-acre general cargo terminal with rail access
- Relocation of SA Recycling to Berths 206-208
- Elimination of ExxonMobil's inland tank farm

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An assessment of the commercial fisheries in Fish Harbor detailing the land use and facility requests of the commercial fishermen (Transmittal 3) and a survey of historic resources (Transmittal 4) were also completed. The historic survey found six sites that could potentially have historic significance. Finally, Harbor Department staff prepared a scrap metal industry analysis (Transmittal 5) and a boatyard analysis that identifies the demand for commercial boatyard work in the region (Attachment 6).

Port Master Plan Update – The Harbor Department currently operates under the original Port Master Plan, which was certified by the California Coastal Commission (Coastal Commission) in April 1980. Since that date, the Coastal Commission has certified 22 amendments to the Port Master Plan, addressing land use changes and new projects and landfills. While the amendments addressed changes relating to specific projects, a comprehensive review and update of the Port Master Plan has not been completed since the plan's original certification in 1980.

Since December 2007, the Board has approved four projects that govern a significant portion of the Port outside of Terminal Island. These include the San Pedro and Wilmington Waterfront Projects, and the China Shipping and TraPac container terminal projects in the West Basin. When combined with the proposed Terminal Island Land Use Plan, nearly the entire Harbor District under control of the Harbor Department has undergone long-term planning to address future cargo and community needs. A comprehensive update to the Port Master Plan would reflect the recently Board-approved projects along with the proposed Terminal Island Land Use Plan.

A comprehensive update to the Port Master Plan will require an environmental assessment. An environmental assessment of the Port Master Plan update will consider the proposed Terminal Island Land Use Plan as part of its evaluation.

ENVIRONMENTAL ASSESSMENT:

The proposed action is direction for staff to initiate a comprehensive update to the Port of Los Angeles Port Master Plan. A comprehensive update to the Port Master Plan will require an environmental assessment before the update can be presented to the Board for consideration. Direction to staff to commence this process is an administrative activity. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

ECONOMIC BENEFITS:

Authorization to initiate the Port Master Plan update will have no employment effect.

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FINANCIAL IMPACT:

Approval of the use of the proposed Terminal Island Land Use Plan as the framework for an update to the Port Master Plan will entail costs associated with staff time and outside services for CEQA preparation in support of the proposal. It is anticipated that existing staff will be used such that there is not expected to be an impact to the current FY 11/12 operating budget. Should outside services be required for CEQA documentation, those costs would be expended in future fiscal years. Any future fiscal year expenditures will be requested to be budgeted as part of the annual budget adoption process, upon Board approval.

CITY ATTORNEY:

This action raises no legal issues at this time.

TRANSMITTALS:

1. Proposed Terminal Island Land Use Plan
2. Terminal Island Land Use Plan Summary Report
3. Terminal Island Land Use Plan – Commercial Fisheries Sector Report
4. Built Environment Evaluation Report for Properties on Terminal Island
5. Scrap Metal Industry Analysis
6. Boatyard Analysis

FIS Approval: *ecj* (initials)
CA Approval: *DM* (initials)

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