



Executive Director's
Report to the
Board of Harbor Commissioners

DATE: JUNE 29, 2011

FROM: PLANNING & ECONOMIC DEVELOPMENT DIVISION

**SUBJECT: RESOLUTION NO. _____ – STAFF RESPONSE TO THE PORT OF
LOS ANGELES COMMUNITY ADVISORY COMMITTEE
RECOMMENDATION NOS. 97 AND 106**

SUMMARY:

On March 17, 2009, the Port of Los Angeles Community Advisory Committee (PCAC) approved Recommendation No. 97, requesting an analysis be conducted to determine the capacity of local boatyards to provide maintenance service to recreational vessels from marinas in the Port of Los Angeles (Port).

On January 18, 2011, PCAC approved Recommendation No. 106 supporting the Wilmington Marinas/Anchorage Road Soil Storage Site (ARSSS) Conceptual Plan and requested the Board to direct staff to: (1) initiate design of the proposed concept and establish a project schedule for completion; (2) identify funding sources and allocate funding to the project without jeopardizing existing or already defined Wilmington Waterfront projects; (3) establish construction goals and timelines for completing the project; (4) conduct a feasibility study on a proposed access road to the marinas to bypass the Henry Ford rail junction; and (5) request City of Los Angeles Harbor Department (Harbor Department) staff to continue to work with PCAC to identify other wetland opportunity sites and implement further wetland restoration.

Staff recommends the Board of Harbor Commissioners (Board) approve the PCAC's Recommendation No. 97 and PCAC's support of the Wilmington Marinas/ARSSS Conceptual Plan and Items 1, 2 and 3 of Recommendation No. 106 and deny Items 4 and 5 of the subject recommendation.

SUBJECT: STAFF RESPONSE TO PCAC RECOMMENDATION NOS. 97 AND 106

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Consider and approve PCAC Recommendation No. 97 and authorize staff to complete the analysis of the capacity of the local boatyards to accommodate the recreational vessels moored at the Port marinas;
2. Consider and approve PCAC Recommendation No. 106 recommending that the Board approve the Wilmington Marinas/ARSSS Conceptual Plan and Items 1, 2, and 3 of the subject recommendation; deny Items 4 and 5 of the recommendation; and
3. Adopt Resolution No. _____.

DISCUSSION:

PCAC Recommendation No. 97

The Port has 17 marinas with a total capacity for approximately 3,900 recreational vessels. Approximately 300 (8 percent) of this capacity is permitted for liveaboards. All recreational vessels need periodic maintenance to comply with the requirements of the Port of Los Angeles Tariff No. 4, Section 22, Seaworthy Vessel and Vessel Maintenance. In addition, liveaboard vessels must also be inspected annually for compliance with all applicable United States Coast Guard, State, and Federal regulations. If an authorized Port inspector determines that the vessel is out of compliance, the vessel owner must rectify the non-compliance within 90 days. Facilities located within the Port that can service recreational boats include: (1) Al Larson Boat Shop located in Fish Harbor (Berth 258); (2) Colonial Yacht Anchorage located in the Wilmington Marina Area (Berth 204); (3) Wilmington Marine Service located on Mormon Island Slip 1 (Berth 162); and (4) Boatswayne Ettel located in the East Basin (Berth 193).

On March 17, 2009, the PCAC approved Recommendation No. 97, recommending to the Board that a study be conducted to determine how much boatyard capacity is needed for the 3,900 recreational vessels moored within the Port to comply with Tariff No. 4, Section 22, Seaworthy Vessel and Vessel Maintenance.

Staff concurs with PCAC's Recommendation No. 97 that an analysis should be completed to determine whether local boatyards have the capacity to handle the maintenance needs of vessels moored at the marinas. A response to PCAC Recommendation No. 97 was delayed as staff was expecting to include the analysis as part of the Wilmington Marinas/ARSSS Planning Study, but the study's focus shifted

SUBJECT: STAFF RESPONSE TO PCAC RECOMMENDATION NOS. 97 AND 106

primarily to the ARSSS and infrastructure improvements in the Wilmington marinas area. The analysis will now be performed concurrent with the shipyard siting assessment that will be conducted as part of the Terminal Island planning process. The Terminal Island planning process will not only include an assessment of site(s) for a future potential shipyard, but will also assess the current and future requirements of the existing shipyard in the planning study area, Al Larson Boat Shop.

PCAC Recommendation No. 106

On January 18, 2011, PCAC approved Recommendation No. 106 supporting the Wilmington Marinas/ARSSS Conceptual Plan and recommended to the Board that staff work with the Wilmington Marinas Planning Steering Committee to: (1) define the design elements; (2) identify potential funding sources and allocate funding to the project without jeopardizing any existing or already defined Wilmington Waterfront projects; (3) establish construction goals and timelines; (4) conduct a feasibility study on a proposed marina access road that bypasses the Henry Ford Avenue rail lines; and (5) identify other wetland opportunity sites and implement further wetland restoration.

On November 19, 2009, the Board approved Resolution No. 09-6848 (PCAC Recommendations Nos. 73, 90 and 96 and Item 1 of No. 66 relating to staff responses to various PCAC motions on the Wilmington marinas area and directed staff to work with the Wilmington community to develop a redevelopment plan for the Wilmington marinas area. The Wilmington Marinas/ARSSS Planning Study was completed in December 2010, and it identified a preferred conceptual plan for public access improvements to the former ARSSS and area infrastructure improvements. The preferred conceptual plan has an estimated total cost of \$44 million. The planning process included the creation of a stakeholder Steering Committee and extensive public participation, including seven steering committee meetings and three community workshops. Staff concurs with PCAC's support of the Conceptual Plan. The completed Conceptual Plan will be incorporated into the updated Port Master Plan.

Item 1 of Recommendation No. 106 requests that staff initiate design work for the Wilmington Marinas/ARSSS Conceptual Plan. Staff is proposing to initiate design work in the 2011/12 fiscal year sufficient in scope to support the initiation of the environmental review of the proposed project. At that time, design work will cease until approximately 18-24 months prior to the scheduled start of project construction, at which time the environmental review will be initiated and design work resumed to completion.

Item 2 of Recommendation No. 106 requests the Board to direct staff to identify potential funding sources for the project and allocate funding to the project without

DATE: JUNE 29, 2011

PAGE 4 OF 7

SUBJECT: STAFF RESPONSE TO PCAC RECOMMENDATION NOS. 97 AND 106

impacting existing or anticipated Wilmington Waterfront projects. Wilmington Waterfront projects in the 2011/12 fiscal year Capital Improvement Program (CIP) are:

- Avalon Triangle Park
- Red Car museum
- Harry Bridges Boulevard improvements
- Catalina Freight relocation
- Wilmington Waterfront promenade (Wilmington Waterfront/Avalon Blvd. Corridor Phase 1A South)
- Wilmington Youth Sailing Facility (China Shipping Aesthetic Mitigation Funding)
- Marina Parkway Project (China Shipping Aesthetic Mitigation Funding)
- Anchorage Road Disposal Site Dust Control Project

The eight Wilmington projects have \$24.548 million budgeted this fiscal year and \$197.5 million in the ten year CIP. Consistent with the recommendation that funding be allocated without jeopardizing currently identified Wilmington projects and the project priority funding schedule presented by the Wilmington Waterfront Development Subcommittee, the Wilmington Marinas/ARSSS project will be included in the later years (years 5-10) of the Port's ten year CIP. The project will be included in the CIP, but no funding will be allocated until such time as the above referenced projects are complete at which time staff will determine funding allocations. The amount of the Port's funding commitment for the estimated \$44 million project will be determined upon the successful receipt of any grant funding.

Staff has identified potential grant funding sources for the Wilmington Marinas/ARSSS Conceptual Plan at the federal, state, and local levels. Potential grant sources include Community Development Block Grants and Coastal Impact Assistance Program grants from the U.S. Department of Housing and Urban Development and U.S. Department of the Interior, State Proposition 50 grants and City of Los Angeles Proposition K and Quimby fees. Staff recommends approval of Item 2 of Recommendation No. 106.

Item 3 of Recommendation No. 106 requests the establishment of a project implementation schedule. Staff is proposing to begin design work on the plan in the 2011/12 fiscal year sufficient in scope and detail to support the initiation of the environmental review of the proposed project. Further design work will then be suspended until approximately 18-24 months prior to the scheduled start of construction, at which time the environmental review will be initiated and design work resumed to completion. While funding is not allocated at this time, the proposed project will be identified for construction in the later years (years 5-10) of the Port's CIP. This implementation schedule is contingent upon the completion of currently identified

DATE: JUNE 29, 2011

PAGE 5 OF 7

SUBJECT: STAFF RESPONSE TO PCAC RECOMMENDATION NOS. 97 AND 106

Wilmington community projects and availability of future funding. Staff is recommending approval of Item 3 of the recommendation.

Item 4 of Recommendation No. 106 requests that the Board direct staff to conduct a feasibility study on the development of a new access road to the Wilmington marinas that by-pass the rail lines crossing at Henry Ford Avenue. Presently, the only vehicular access to the marinas is from Henry Ford Avenue, which is subject to blockage by trains crossing at grade immediately east of the Consolidated Slip. Providing an access road to the marina area that is not subject to at-grade rail crossings will require the utilization of Port of Long Beach (POLB) property south of the Consolidated Slip and west of Henry Ford Avenue. Currently, this site is being remediated and the POLB's long range plans for the use of this site is for container yard operations in support of the Pier A container terminal. Additionally, any such access road located west of Henry Ford Avenue would impact the Leeward Bay marina located in the northern portion of the Consolidated Slip, requiring either the relocation of the slips and/or the inclusion of a drawbridge across the Consolidated Slip to permit recreational boats to pass underneath the access road bridge depending on its location.

While the Port accommodates a variety of uses and activities and is dedicated to providing public access and recreational opportunities, including recreational boating at the Wilmington marinas, the principal focus of the Port is to accommodate cargo and trade. As such, impacts relating to the accommodation of cargo, including train blockages of streets, should be anticipated. In addition, the volume of traffic to the Wilmington Marinas is not sufficient to justify the expense of a grade separation. In order to address public safety concerns stemming from road blockage by trains in this area, on June 3, 2010, the Board approved the staff response to PCAC Recommendation No. 101, which directed staff to develop a strategy with the Los Angeles Fire Department (LAFD) to improve emergency service response capabilities to the marinas. Staff has worked with the LAFD to develop protocols for providing waterborne responses to emergencies in the marina in the event rail traffic is blocking Henry Ford Avenue. Port Police response procedures are currently in place and are continually evaluated for enhancement opportunities. As a result, staff is recommending denial of Item 4 of Recommendation No. 106.

Finally, Item 5 of Recommendation No. 106 requests that Port staff continue to work with PCAC to identify wetland opportunity sites and implement further wetland restoration efforts. In 2006, following direction from the Board (Resolution No. 6391), staff completed an evaluation of potential biological mitigation sites in the Harbor District. The Harbor District Opportunities and Constraints Study evaluated seven sites as potential wetland mitigation opportunities: Crescent Avenue; 22nd Street; Sampson Way; Machado Lake; Berth 200; Opp Street; Cabrillo Salt Marsh; and Anchorage Road). In 2008, the City Council directed the Harbor Department to do a feasibility

SUBJECT: STAFF RESPONSE TO PCAC RECOMMENDATION NOS. 97 AND 106

study of restoring 150 acres of wetland in the Harbor area. Staff reaffirmed the conclusion of the 2006 study that there are not 150 acres available in the Harbor District for wetland restoration. As staff has extensively assessed wetland opportunity sites in the Harbor District on two previous occasions, staff believes further assessments would be duplicative of previous studies and is recommending denial of Item 5 of PCAC Recommendation No. 106.

ENVIRONMENTAL ASSESSMENT:

The proposed action is to consider and approve PCAC Recommendation Nos. 97 and 106 to complete an analysis of capacity of local boatyards at Port marinas and to support the Wilmington Marinas/ARSSS Conceptual Plan. PCAC Recommendation No. 106 is limited to approval of Items 1 (initiate design of the proposed concept sufficient in scope to support the environmental review process and establish a project schedule for completion), 2 (identify funding sources and allocate funding to the project without jeopardizing existing or already defined Wilmington Waterfront projects) and 3 (establish construction goals and timelines for completing the project). The proposed action does not commit the Port to the approval of any proposed project, permit, or lease or any terms or conditions thereof concerning the Wilmington Marinas/ARSSS Conceptual Plan, which would be subject to review under the requirements of the California Environmental Quality Act (CEQA). As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from CEQA in accordance with the Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

ECONOMIC BENEFITS:

This Board action will have no employment impact.

FINANCIAL IMPACT:

Approval of PCAC Recommendation No. 97 will not have a financial impact upon the Harbor Department as existing staff will perform the requested analysis.

With respect to PCAC Recommendation No. 106:

- Denial of Items 4 and 5 will not have a financial impact upon the Harbor Department.
- Approval of Item 1 will not have a financial impact if existing staff performs the contemplated design work without impacting the progress of programmed construction projects and additional outside services are not retained

DATE: JUNE 29, 2011

PAGE 7 OF 7

SUBJECT: STAFF RESPONSE TO PCAC RECOMMENDATION NOS. 97 AND 106

- Approval of Item 2 requests staff to identify and allocate potential funding sources towards the proposed project without impacting existing or anticipated Wilmington Waterfront projects. As such the project will be included in years 5-10 of the ten-year CIP at an estimated cost of \$44 million. Based on current projections of revenue, expenses and capital expenses, an amount equal to this \$44 million cost will need to be offset in years 5-10 of the 10-year CIP to maintain the Port's 2.0x debt coverage ratio policy.
- Approval of Item 3 establishes an implementation schedule for the project, the financial impacts of which are already reflected in the statements immediately above.

Subsequent to project completion ongoing operating and maintenance costs associated with ARSSS is estimated at \$350,000 annually.

CITY ATTORNEY:

The Office of the City Attorney has reviewed this Board letter and has determined that there are no legal issues at this time.

TRANSMITTALS:


1. PCAC Recommendation No. 97
2. PCAC Recommendation No. 106
3. Wilmington Marina Internal Access Road Issue Site Map
4. Anchorage Road Soil Storage Site Aerial


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