



**THE PORT
OF LOS ANGELES**
Executive Director's
Report to the
Board of Harbor Commissioners

DATE: SEPTEMBER 7, 2018

FROM: PLANNING AND STRATEGY

SUBJECT: RESOLUTION NO. _____ – ISSUANCE OF A LEVEL II NON-APPEALABLE COASTAL DEVELOPMENT PERMIT (NO. 18-15) TO THE PORT OF LOS ANGELES FOR THE ALAMEDA CORRIDOR SOUTHERN TERMINUS GAP CLOSURE PROJECT

SUMMARY:

Staff requests that the Board of Harbor Commissioners (Board) approve a Level II non-appealable Coastal Development Permit (CDP) No. 18-15 to the City of Los Angeles Harbor Department (Harbor Department) for the proposed Alameda Corridor Southern Terminus Gap Closure Project (proposed project). The proposed project outlined in Application for Port Permit (APP) No. 160218-025 entails construction of 5,000 feet of mainline track and crossovers in the Port of Los Angeles, which eliminates a short gap of single track serving the TraPac and West Basin Container Terminal (WBCT) on-dock railyards. The second track provides simultaneous and unimpeded movements to and from both of these on-dock railyards and the Alameda Corridor. As documented by a rail study conducted for this Second Addendum (LAHD, March 9, 2016), these segment improvements would decrease train delays and improve the efficiency of the rail network. The new double track segment will also reduce train blockages at two adjacent rail crossings on roadways, which also reduces the potential for train-vehicular collisions.

The Harbor Department is part of a multi-party funding agreement with the California Transportation Commission (CTC) and the California Department of Transportation (Caltrans), and it is the Master Agreement administering agency. The Harbor Department is financially responsible for \$3,537,000 of the estimated total proposed project cost of \$9,529,000.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Consider the Second Addendum to the certified Environmental Impact Report for the Berths 136-147 TraPac Container Terminal project, and approve the project;
2. Hold a public hearing for the proposed Coastal Development Permit No. 18-15, a Level II non-appealable permit;

SUBJECT: LEVEL II NON-APPEALABLE CDP NO. 18-15 TO HARBOR DEPARTMENT FOR THE RAIL GAP CLOSURE PROJECT

3. Find that the proposed project conforms with the Port of Los Angeles certified Port Master Plan and find that this project will have no significant adverse environmental impacts as analyzed in the Second Addendum to the certified Environmental Impact Report prepared pursuant to the California Environmental Quality Act Guidelines Section 15164;
4. Upon closure of the public hearing, resolve to approve the issuance of CDP No. 18-15, consistent with the project description listed on APP No. 160218-025, and direct the Director of Planning and Strategy to execute and issue said permit on behalf of and as the designee of the Executive Director;
5. Authorize the Environmental Management Division to file a Notice of Determination with the Los Angeles County Clerk and the Los Angeles City Clerk; and
6. Adopt Resolution No. _____.

DISCUSSION:

Project Background/Context – On December 6, 2007, the Board certified, in compliance with the California Environmental Quality Act (CEQA), an Environmental Impact Report (EIR) (State Clearinghouse #2003104005) and approved the Berths 136-147 [TraPac] Container Terminal Project. The EIR assessed the redevelopment of wharves, deeper berths, terminal backlands improvements, buildings and gates, an on-dock intermodal rail facility, relocation of the Pier A Pacific Harbor Line switching rail yard to Berth 200, improvements to Harry Bridges Boulevard, and installation of a buffer area between the terminal and the community. On August 13, 2009, the Board approved TraPac Permit No. 881 (Permit) for a 30-year term incorporating all of the tenant mitigation measures adopted in the Final EIR Mitigation Monitoring and Reporting Plan (MMRP), effective September 29, 2009.

On June 30, 2016, the Harbor Department issued the Berths 136-147 [TraPac] EIR Addendum #2 (SCH No. 2003104005, APP No. 150819-102) which addressed improvements for two rail segments for rail serving TraPac and WBCT. These improvements would allow for improved efficiency in train loading and unloading operations and would reduce train delays. The proposed was addressed in the Second Addendum.

On May 16, 2018, the CTC awarded \$27,637,000 of Trade Corridor Enhancement Program (TCEP) funds to two Harbor Department projects, the Terminal Island Railyard Enhancement project (\$21,645,000) and the Alameda Corridor Southern Terminus Gap Closure project (\$5,992,000). On July 17, 2018, the Board Approved Resolution No. 18-8321, approving the TCEP Baseline Agreement and Master Agreement establishing a multi-party funding agreement with CTC and Caltrans.

SUBJECT: LEVEL II NON-APPEALABLE CDP NO. 18-15 TO HARBOR DEPARTMENT FOR THE RAIL GAP CLOSURE PROJECT

The proposed project site is located along the northern edge of the TraPac terminal along Harry Bridges Boulevard (Transmittal 1). The existing rail line is located outside of TraPac's leasehold immediately adjacent to the south side of Harry Bridges Boulevard. The new rail segment would be placed immediately south of the existing line, within TraPac's current leasehold. As such, implementation of the improvement would require an amendment to TraPac's lease premises to reduce the acreage of their leasehold by 0.85 acres for placement of the new rail segment outside the lease premises.

Project Description – The proposed project entails construction of 5,000 feet of mainline track and crossovers in the POLA, which eliminates a short gap of single track serving the TraPac and WBCT on-dock railyards. Work includes the relocation or protection of existing underground utilities and the relocation of power poles, utility meters, and perimeter fencing. Construction is anticipated to begin by the first quarter of 2020 and is expected to be completed by the first quarter of 2021.

Coastal Permit Requirements – The proposed project is a Level II non-appealable project in accordance with Section 6.4 of the Port Master Plan (PMP). A Level II permit is required for projects that involve significant resources; cause major changes in land and/or water use and in the density or intensity of the use; have the potential of creating significant environmental impacts that can or cannot be mitigated; or are appealable. The proposed project is a Level II CDP because the new double-tracked extension involves significant resources or could potentially create significant environmental impacts as outlined in Section 6.4.3 of the PMP (Transmittal 2).

Procedurally, a Level II non-appealable CDP requires a public hearing that is publicized at least fifteen calendar days prior to the scheduled date of the hearing. A public notice for the proposed development was published on September 5, 2018 (Transmittal 3).

The Director of Planning and Strategy has determined that the proposed project is consistent with the PMP and the Chapter 8 policies of the California Coastal Act (Coastal Act) of 1976, as amended. Located in Planning Area 2 of the PMP, this project is consistent with its container land use designation. The proposed rail improvements are consistent with Sections 30701 of the Coastal Act and Policy 1.3 of the PMP, which encourages the modernization of the Port and construction of necessary facilities within the boundaries of the Port in order to minimize future dredging and filling to create new ports in new areas of the state.

ENVIRONMENTAL ASSESSMENT:

Addendum #2 has been prepared pursuant to CEQA and focuses on the incremental changes between the 2007 Final EIR for the Approved Expansion Project and the Proposed Revised Project. Specifically, the Addendum assesses any new significant impacts or an increase in severity of previously identified impacts that would occur as a result of the Proposed Revised Project. According to Section 15164(a) of the state CEQA

SUBJECT: LEVEL II NON-APPEALABLE CDP NO. 18-15 TO HARBOR DEPARTMENT FOR THE RAIL GAP CLOSURE PROJECT

Guidelines; the lead agency will prepare an Addendum to a previously certified EIR if changes or additions are necessary but none of the conditions described in Sections 15161, 15162, or 15163 calling for the preparation of an EIR, or a subsequent or supplemental EIR, have occurred. The Director of the Environmental Management Division has determined that the conditions in Section 15164 have been met and, therefore, an Addendum is the appropriate document. An addendum does not need to be circulated for public review but can be included in or attached to the EIR. Based on the finding of the Addendum, the proposed action will not result in any new significant environmental effects or any substantially more severe effects than previously analyzed and, therefore, does not trigger any of the conditions calling for the preparation of a subsequent or supplemental EIR. All previously approved mitigation measures are incorporated into the proposed permit amendment with the timing adjusted based on the new date of Lease Amendment Agreement. The Addendum, along with the Final EIR/EIS, have been made publicly available and are posted on the Harbor Department's website.

FINANCIAL IMPACT:

Approval of the CDP is a procedural requirement for the proposed project. This Board action neither authorizes expenditures related to the project nor does it commit the Harbor Department to complete the project as ultimately approved. Board approval under separate future actions will be needed to award any capital construction contracts related to the proposed project and any approval of a lease modification with TraPac under its existing Permit No. 881.

TCEP funds are paid on a monthly reimbursement basis, which requires the Harbor Department to fund project costs first, and then seek reimbursement. Pacific Harbor Line (PHL) will be responsible for on-going operations and maintenance costs for the proposed project.

Funding detail (including source of funding) for the proposed project will be detailed in future Board Actions requesting approval of the construction contract(s). Funding for ongoing pre-construction activities in the amount of \$549,946 is available in Center No. 1172, Program No. 000, Project No. 25366 for Fiscal Year 2018/2019.

DATE: SEPTEMBER 7, 2018

PAGE 5 OF 5

SUBJECT: LEVEL II NON-APPEALABLE CDP NO. 18-15 TO HARBOR
DEPARTMENT FOR THE RAIL GAP CLOSURE PROJECT

CITY ATTORNEY:

The City Attorney's office has reviewed this Board Report and determined that no legal issues exist at this time.

TRANSMITTALS:

1. Site Location Map
2. CDP No. 18-15
3. Public Notice
4. Second Addendum to the TraPac EIR

FIS Approval: JB
CA Approval: JM



MICHAEL KEENAN
Director of Planning and Strategy



MICHAEL DiBERNARDO
Deputy Executive Director

APPROVED:


FOR

EUGENE D. SEROKA
Executive Director

Author: D. Jordan

APP No. 160218-025