

PORT MASTER PLAN AMENDMENT NO. 27 AL LARSON BOAT SHOP

BACKGROUND

The Port Master Plan for the Port of Los Angeles was certified by the California Coastal Commission (Coastal Commission) on August 20, 1980. The certified Port Master Plan has been modified by subsequent amendments, the most recent being Amendment No. 26 for the LA Waterfront Land Use Additions, Minor Fills, and New Harbors, approved by the Coastal Commission in August, 2011.

The proposed Al Larson Boat Shop Improvements Project (project) modernizes and upgrades the existing Al Larson Boat Shop (ALBS) located at Berth 258 in Planning Area 8. The 7.7 acre (2.35 acres of land and 5.35 acres on water) facility is a full-service shipyard that provides maintenance and repair of tugboats, government vessels, fireboats, ferries, barges, offshore oil equipment, research vessels, and yachts. Operations include normal boat yard activities such as water or sand blasting, and painting of vessels.

The project would redevelop the existing ALBS to modernize the facility and improve its ability to repair ships and vessels. Improvements would include replacing structures, improving site hydrology, maintenance dredging to ensure adequate vessel access to the site, and constructing two confined disposal facilities (CDF). The project was environmentally assessed in the Al Larson Boat Shop Improvements Project Environmental Impact Report (Draft EIR), released in January 20, 2012.

Purpose of Amendment

The purpose of Port Master Plan Amendment No. 27 (Amendment No. 27) is to allow for the project element that creates 0.9 acres of new land by permitting two CDFs of 0.2 and 0.7 acres. The newly created 0.9 acres would be located and designated an “industrial” land use. The project CDFs would beneficially reuse contaminated dredge materials for increased vessel maintenance and repair, including use of the area by 600- and 100-ton boat hoists.

Figure 1 on Page 2 presents the proposed project map and location of the 0.2 and 0.7 acre CDFs.

COASTAL ACT COMPLIANCE

An amendment to the Port Master Plan must follow the same certification and approval process as a Port Master Plan. The California Coastal Act of 1976, Article 3, Section 30711, paragraph (a) states, “A port master plan that carries

Amendment No. 27 - Fills and Land Use

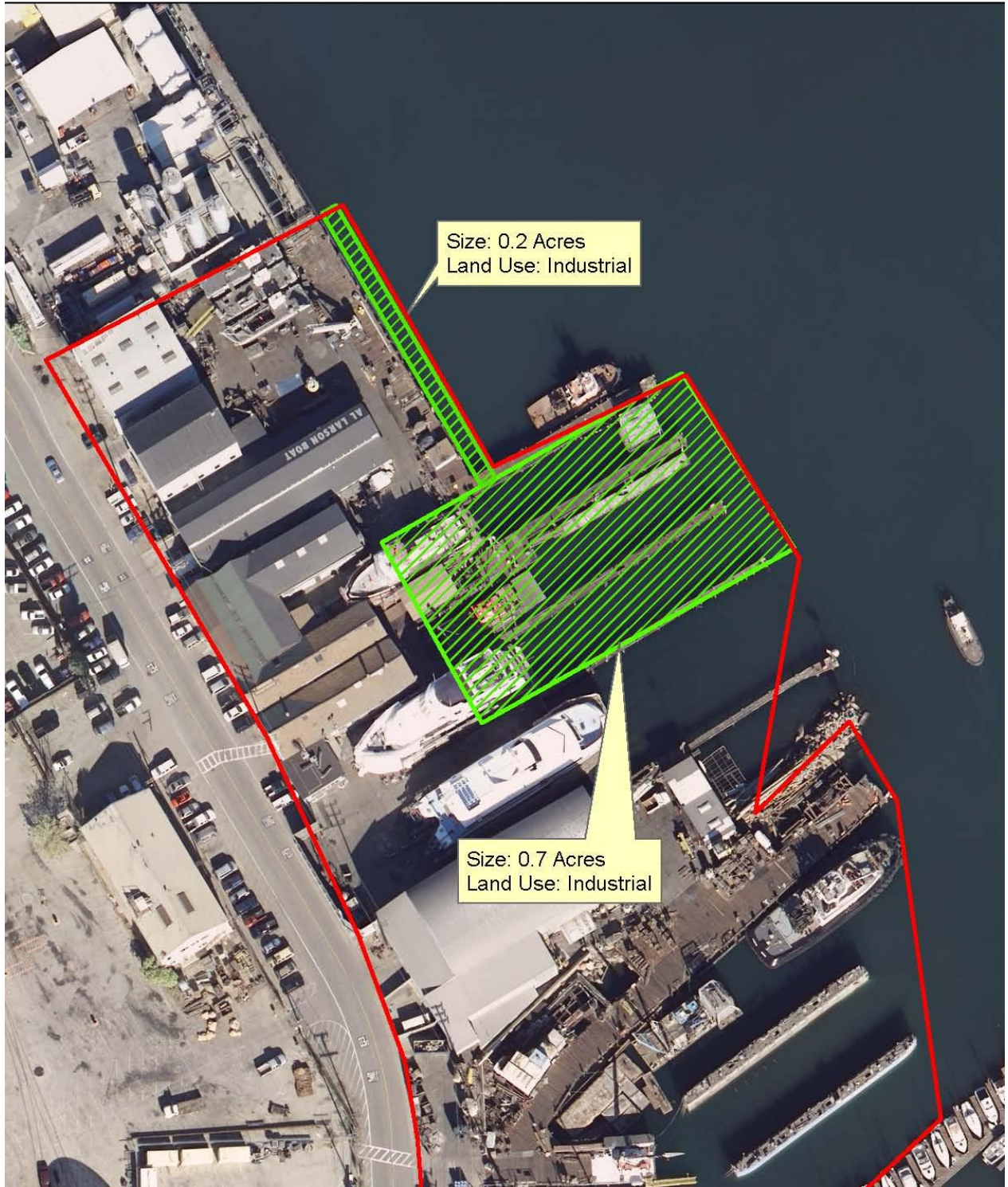


FIGURE 1

out the provisions of this chapter shall be prepared and adopted by each port governing body, and for informational purposes, each city, county, or city and county which has a port within its jurisdiction shall incorporate the certified port master plan in its local coastal program. A port master plan shall include the following.”

1. **The proposed uses of land and water areas, where known**

This amendment would allow for the creation of 0.9 acres of new land by permitting two CDFs of 0.2 and 0.7 acres. The proposed land use for the CDFs would be Industrial to correspond with the existing facility land use designation. Industrial use allows for shipbuilding/yard/repair facilities, light manufacturing/industrial activities and ocean resource-oriented industries on the proposed 0.9 acres of new land.

2. **The project design and location of port land areas, water areas, berthing, and navigation ways and systems intended to serve commercial traffic within the area of jurisdiction of the port governing body.**

The project is located at 1046 Seaside Ave, Terminal Island at Berth 258. The land area is bounded by a fuel depot to the north, Fish Harbor to the east, and a boat marina to the south, and Seaside Avenue to the west.

The proposed 0.9-acre fills at Berth 258, which was assessed in the Draft EIR, will not affect existing street traffic patterns. The 0.2 and 0.7 acre CDFs will integrate with the existing site and improve safety and efficiency of marine ship building and repair. The CDFs would not impede vessel traffic within Fish Harbor.

3. **An estimate of the effect of development on habitat areas and the marine environment, a review of existing water quality, habitat areas, and quantitative and qualitative biological inventories, and proposals to minimize and mitigate any substantial adverse impact.**

The Draft EIR identifies all environmental impacts created by the overall project, of which the 0.2 and 0.7 acre CDFs are an element. Significant unavoidable environmental impacts were identified for air quality, cultural resources, and noise. Biological Resources were found to have significant impacts that can be mitigated to less than significant.

Specifically, the proposed project would result in a permanent loss of approximately 0.9 acres of marine habitat. This can be mitigated by the application of 0.45 credits available in the Bolsa Chica or Outer Harbor mitigation banks to compensate for loss of 0.9 acres of fish and wildlife

habitat in the Inner Harbor due to construction of fill in Fish Harbor. This mitigation measure would also offset the impacts to Essential Fish Habitat.

4. **Proposed projects listed as appealable in Section 30715 in sufficient detail to be able to determine their consistency with the policies of Chapter 3 (commencing with Section 30200) of this division.**

The proposed project has been evaluated with regard to the requirements of Section 30715 and was found to be a non-appealable development.

5. **Provision for adequate public hearings and public participation in port planning and development decisions.**

The Notice of Completion and distribution of Draft Amendment No. 27 was considered by the Los Angeles Board of Harbor Commissioners (Board) during the regularly scheduled Board meeting on May 3, 2012. The Notice of Completion will be mailed to interested persons, organizations, and governmental agencies, including the Coastal Commission and all Port tenants. A public hearing on Draft Amendment No. 27 was held on June 21, 2012. All comments on the proposed amendment and responses to comments will be submitted to the Coastal Commission as part of Final Amendment No. 27.

6. **A port master plan shall contain information in sufficient detail to allow the commission to determine its adequacy and conformity with the applicable policies of that division.**

This amendment has been prepared in full compliance with the policies of the California Coastal Act of 1976, as amended. The California Coastal Act policies applicable to the proposed amendment are as follows:

Section 30701

The legislature finds and declares that:

(a) The ports of the State of California constitute one of the state's primary economic and coastal resources and are an essential element of the national maritime industry.

(b) The location of the commercial port districts within the State of California are well established, and for many years such areas have been devoted to transportation and commercial, industrial, and manufacturing uses consistent with federal, state, and local regulations. Coastal planning requires no change in the number or location of the established commercial port districts. Existing ports

shall be encouraged to modernize and construct necessary facilities within their boundaries in order to minimize or eliminate the necessity for future dredging and filling to create new ports in new areas of the state.

The proposed Project allows for the first major upgrade to the boat repair facility since 1924. It will improve the safety and efficiency of marine ship building and repair, and expand the repair and maintenance capabilities of the operation. The existing infrastructure is aging and dilapidated, and the project will allow for the facility to accommodate growing vessel size and tonnage capacity safely and efficiently.

Section 30703

The California commercial fishing industry is important to the State of California; therefore, ports shall not eliminate or reduce existing commercial fishing harbor space, unless the demand for commercial fishing facilities no longer exists or adequate alternative space has been provided. Proposed recreational boating facilities within port areas shall, to the extent it is feasible to do so, be designed and located in such a fashion as not to interfere with the needs of the commercial fishing industry.

The proposed project will not eliminate or reduce existing commercial fishing harbor space.

Section 30705

(a) Water areas may be diked, filled, or dredged when consistent with a certified port master plan only for the following:

(2) New or expanded facilities or waterfront land for port-related facilities.

The 0.9 acres of new land will support the overall modernization and upgrade of existing shipyard and ship repair facilities. The 0.2 and 0.7 CDFs will allow for increased vessel maintenance and repair, including use of the area by the proposed 600- and 100-ton boat hoists.

(d) For water areas to be diked, filled, or dredged, the commission shall balance and consider socioeconomic and environmental factors.

The Port is the primary gateway for the import of containerized cargo into the United States, handling approximately 20% of the nation's container imports in 2011. Over the next 25 years, containerized cargo moving through the Port is expected to triple, eventually reaching the Port's capacity of 22 million twenty-foot equivalent units per year. The growth in containerized cargo will require additional support vessels, including barges and tugs. Barge and tug services, and the repair facilities that sustain them, are essentially a support system for the movement of cargo through the Port. This project is necessary to support the Port's ability to provide competitive and efficient goods movement and supports future cargo growth, and therefore this project has significant socioeconomic benefits to the region, while minimizing substantial adverse environmental impacts.

Section 30706

In addition to the other provisions of this charter, the policies contained in this section shall govern the filling seaward of the mean high tide line within the jurisdiction of the ports:

(b) The nature, location and extent of any fill, including the disposal of any dredge spoils within the area designated for fill, shall minimize the harmful effects to coastal resources, or sand transportation systems, and shall minimize the reductions of the volume, surface area, or circulation of water.

The 0.9 acres of new land will create significant adverse biological impacts that can be mitigated to less than significant. As summarized above, mitigation credits will be used to fully offset loss of marine habitat and disruption to essential fish habitat.

Section 30708

All port-related developments shall be located, designed and constructed so as to:

(a) Minimize substantial adverse environmental impacts

The Draft EIR described the environmental impacts that would be created by the proposed project. The development of the proposed modernization and upgrade, requiring 0.9 new acres of land, incur significant environmental impacts with respect to construction emissions, construction and operational off-site ambient air pollutant concentrations, levels of Toxic Air Contaminants (TACs), Greenhouse Gas (GHG) emissions, construction noise, and impacted historic architectural

resources. Mitigation measures have been adopted to minimize these impacts, including:

- **Air Quality:** Mitigation measures include cleanest available harbor craft engine standards, fleet modernization for onroad trucks, fleet modernization for construction equipment, dust controls for earth moving activities, best management practices on construction equipment, compact fluorescent light bulbs, and five year energy audits.
- **Noise:** Mitigation measures include use of the noise reduction during pile driving, temporary noise barriers adjacent to pile driving equipment, and temporary noise attenuation barriers.
- **Cultural Resources:** Mitigation measures include an archaeological monitor during all initial grading and excavation, historic resource recordation of historically eligible buildings to be demolished and public posting of the information recorded.

(c) Give highest priority to the use of existing land space within the harbors for port purposes, including, but not limited to, navigational facilities, shipping industries, and necessary support and access facilities.

The proposed project gives highest priority to the use of existing space within the harbor for Port purposes. The proposed project modernizes and upgrades existing shipyard and ship repair facilities. The proposed fill sites and designated land uses maximize terminal efficiency and accommodate shipping industries.

Public Comments

A public hearing was held to receive comments on Amendment No. 27 during the regularly scheduled meeting of the Board on June 21, 2012. In addition, written comments were also solicited from interested persons, organizations, and governmental agencies, including the Coastal Commission and all Port tenants. The National Trust for Historic Preservation and the Los Angeles Conservancy submitted one letter each on June 20, 2012, commenting on the proposed project and Amendment No. 27. However, no verbal comments were provided during the June 21, 2012 public hearing. The comments received and the responses to those comments are included in this section of Amendment No. 27.

Los Angeles Conservancy

- Concerned over the demolition of three historically significant buildings in the overall project. Issues described include:

- a) Alternatives 2 and 3 of the Draft EIR would reduce some or all three of the historic buildings while accomplishing the Port's objective of modernizing the boat repair facilities.

Response: The scope of Amendment No. 27 is to allow for 0.9 acres of new land over two CDFs with land use designations of "industrial." This issue of alternative analysis is addressed in Chapter 6, Analysis of Alternatives, and Section 2.3.4, Response to Comments LAC-1 through LAC-5 of the Final EIR.

The existing ALBS facility contains five buildings that are eligible for historical listing, three of which would be demolished under the proposed project. Also considered in the Final EIR are Alternatives 2 and 3, which provide limited demolition of the potentially historic structures and complete retention of the buildings, respectively. The Final EIR found that the alternatives that retain the structures eligible for historical listing do not meet all of the project objectives. While the alternatives do allow the site to comply with regulatory agency requirements and partially clean up legacy contaminants, they would not modernize the existing boat yard facility, increase operational efficiency, and meet the long term business goals of ALBS. In particular, the project element to install a 600-ton boat hoist would not be possible (due to reduced clearance as a result of the retention of buildings slated for demolition as part of the proposed Project). Additionally, the clean-up of landside legacy contaminants would not fully occur, as some of the potentially historic buildings would remain (i.e., contaminated soils beneath the buildings and asbestos from the buildings themselves would remain). Further, the maneuverability and versatility of the boat hoists would be limited due to site constraints. No new structures would be constructed on the site, since some of the potentially historic buildings would remain available for reuse.

- b) The Draft EIR project boundaries should include the Boat Shop parking lot and the former Bethlehem Steel (Southwest Marine) Administration Building due to future construction and operational impacts on those areas. Furthermore, the Administration Building should be evaluated for potential reuse as office space.

Response: The Final EIR responds to this issue in Section 2.3.4, Response to Comment LAC-6. The boundary of the proposed project is appropriately defined because they are based on the portion of the facility that is affected by the proposed improvements and also includes the new lease area which involves the entire ALBS facility and all changes in the lease. The Southwest Marine Administrative Building falls outside the criteria listed. The proposed project was designed, and the environmental impacts analyzed, considering the modernization and increased efficiency of the facility with the Southwest marine Administration Building at its current location. And since there is currently no proposed use for the building, the issue of the parking is speculative. Should a

proposal concerning the building and associated parking be submitted to the Port, it will be subject to applicable Coastal Act and CEQA review.

National Trust for Historic Preservation

- Concerned over the demolition of three historically significant buildings in the overall project. Seeks to promote adaptive re-use of those buildings and all other historic structures on Terminal Island. Issues described include:
 - a) The Draft EIR rejected Alternatives 2 and 3 without sufficient information to deem the alternatives as infeasible.

Response: As stated above, the Final EIR responds to this issue by stating that Alternatives 2 and 3 would not meet project objectives of modernizing, expanding and optimizing ALBS. Detailed discussion is further addressed in Section 2.3.4, Response to Comment LAC-1 through LAC-5 of the Final EIR.

- b) The Draft EIR project boundaries should include the Boat Shop parking lot and the former Bethlehem Steel (Southwest Marine) Administration Building. The exclusion of such properties would more fully analyze and disclose to the public all project impacts to historic properties on Terminal Island.

Response: As stated above, the Final EIR responds to this issue by stating that the Southwest Marine Administrative Building is not within the ALBS proposed lease area and that the issue of the parking is speculative. Detailed discussion is further addressed in Section 2.3.4, Response to Comment LAC-6.

- c) The Port should include a more definitive commitment to adaptive reuse of historic properties in planning efforts like the Terminal Island Plan, and Requests For Proposals for historic properties.

Response: Amendment No. 27 would allow for 0.9 acres of fill with a land use designation of "industrial." While the issue stated above is not directly related to the project, the Port acknowledges the importance of historic resources in land use planning and leasing processes, balanced with the Port's charge to meet project objectives. Staff is and will continue to discuss historic resource issues with historic preservation entities.



June 20, 2012

Submitted electronically

President Cindy Miscikowski
Los Angeles Board of Harbor Commissioners
Port of Los Angeles Administration Building
425 S. Palos Verdes Street
San Pedro, CA 90731
Email: commissioners@portla.org

Re: Al Larson Boat Shop Improvement Project EIR, proposed amendment to Port Master Plan

Dear Commissioners:

On behalf of the Los Angeles Conservancy, thank you for the opportunity to present comments on the proposed amendment to the Port Master Plan for the Al Larson Boat Shop Improvement Project. The Los Angeles Conservancy is the largest local historic preservation organization in the United States, with nearly 7,000 members throughout the Los Angeles area. Established in 1978, the Conservancy works to preserve and revitalize the significant architectural and cultural heritage of Los Angeles County through advocacy and education.

The Al Larson Boat Shop (ALBS) is among the longest-running businesses at the Port of Los Angeles, and one of the few related to the tradition of shipbuilding and repair to remain. The proposed demolition of three of the five identified historic resources on the site jeopardizes this link to the industrial trades that served and supported all the maritime activities at the Port. Feasible preservation alternatives and mitigation measures are available that will substantially reduce or eliminate impacts to historic resources while meeting the long-term goals of ALBS.

ALBS and other historic resources at the Port of Los Angeles have received national attention with the National Trust for Historic Preservation's listing of Terminal Island as one of America's 11 Most Endangered Historic Places. This highly selective annual list spotlights important examples of the nation's architectural, cultural, and natural heritage that are at risk of destruction or irreparable damage. The Los Angeles Conservancy is partnering with the National Trust to preserve the remaining historic sites on Terminal Island.

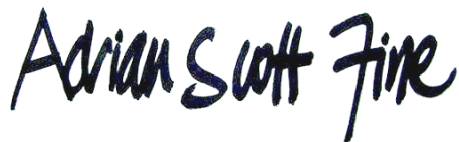
As stated in the Conservancy's previous March 5, 2012 letter on ALBS, alternatives are identified and included in the draft EIR that avoid or significantly lessen adverse impacts to historic resources at the ALBS site. Alternative 3: Retention of Historic Buildings meets many of the project objectives while avoiding demolition of historic resources. Buildings A2, A3, and C1 would be retained under this alternative, which would still allow ALBS to utilize a 100-ton boat hoist to lift vessels onto land for repair. Alternative 2: Reduced Project: Limited Demolition

reduces demolition to only two of the historic buildings while also meeting most of the project objectives. The Port's objective of modernizing the boat shop facilities can be accomplished through these alternatives, while also retaining the historic buildings.

The seemingly arbitrary project boundaries established for the ALBS Improvement Project are also of concern. They intentionally exclude the parking lot in which the 600-ton boat hoist will operate as well as the immediately-adjacent Bethlehem Steel (Southwest Marine) Administration Building. These boundaries preclude full consideration of impacts to the ALBS site, including future construction and operational impacts on the Bethlehem Steel Building, a contributor to the Bethlehem Shipyard Historic District. The parking lot and the Bethlehem Steel Building are physically tied to the ALBS operation and within the delineated fence line, and therefore should be included within the project boundaries. Further, the proposed hoist will operate in close proximity to the Administration Building and could impact this historic resource. The Administration Building should be also evaluated for its reuse potential as office space, as the ALBS Improvement Project calls for the future construction of an office building.

Thank you for the opportunity to comment on the proposed Project. The Conservancy looks forward to working with the Port of Los Angeles to assist in developing solutions for historic properties at Terminal Island. Please feel free to contact me at (213) 430-4203 or afine@laconservancy.org should you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Adrian Scott Fine". The signature is written in a cursive, slightly slanted style.

Adrian Scott Fine
Director of Advocacy

cc: Councilmember Joe Buscaino, Council District 15
Office of Historic Resources, City of Los Angeles
San Pedro Historical Society
National Trust for Historic Preservation

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June 20, 2012

Los Angeles Board of Harbor Commissioners
President Cindy Miscikowski
Vice President David Arian
Commissioner Robin Kramer
Commissioner Douglas P. Krause
Commissioner Dr. Sung Won Sohn
Port of Los Angeles Administration Building
425 S. Palos Verdes Street
San Pedro, CA 90731

VIA EMAIL to commissioners@portla.org

**Re: AI Larson Boat Shop Improvement Project EIR, proposed amendment to
Port Master Plan**

Dear Commissioners:

On behalf of the National Trust for Historic Preservation, please accept the following comments as you consider the Environmental Impact Report for the AI Larson Boat Shop Improvement Project (proposed Project). Chartered by Congress in 1949, the National Trust is a national nonprofit membership organization dedicated to saving historic places and revitalizing America's communities. (16 U.S.C. §§ 461, 468).

On June 6, the National Trust for Historic Preservation listed Terminal Island among America's 11 Most Endangered Places in 2012. Concurrent with this listing we designated Terminal Island a National Treasure - a nationally significant historic place where the National Trust has committed to take direct action to ensure its preservation. This designation was based on our concerns that many unique historic structures at Terminal Island have been neglected in project planning if not threatened outright with demolition. Through our focused advocacy we seek to work closely with the Port of Los Angeles to promote adaptive re-use of the irreplaceable historic structures at Terminal Island, recognizing the Port's interest in economic revitalization.

With respect to the proposed Project, we share the view of the Los Angeles Conservancy that feasible alternatives exist to the plan to demolish three of five historic buildings at the AI Larson Boat Shop facility. The Boat Shop is one of the last remaining shipbuilding and repair facilities at the Port. Its historic buildings reflect nearly 100 years of the evolution of the shipbuilding and fishing industries.

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The National Trust is concerned that the proposed Project would unnecessarily result in the demolition of historic buildings. We feel Alternatives 2 and 3 have been rejected inappropriately as the EIR does not contain substantial evidence that they are infeasible. Either alternative would accomplish the Port's objective to modernize the Boat Shop facilities, while respecting Terminal Island's history. In the event the proposed Project is approved, however, mitigation measures should, at a minimum, include reasonable financial incentives to enable the sensitive dismantling and relocation of the historic structures.

Further, we believe the method in which the Port established the project boundaries in the EIR was flawed. As a result, not all impacts to historic properties on Terminal Island have been disclosed to the public. Specifically, the Boat Shop parking lot and the former Bethlehem Steel (Southwest Marine) Administration Building are excluded, despite direct project impacts. A hoist is proposed to be located within the parking lot area and, through its proximity, will impact the historic Administration Building. Further, the project calls for the future construction of an office building yet fails to evaluate or consider the possibility for reusing the existing building for this purpose.

Finally, our concerns with the demolition of historic resources at Al Larson's Boat Shop are particularly heightened given the scarcity of information related to the future use of historic properties in the Terminal Island Land Use Plan. While we were pleased to learn recently that the map showing new roadway realignments through historic buildings was published in error, the Port's land use planning process could be improved by a more definitive commitment for re-using historic buildings. The soon to be released RFP for the historic Chicken of the Sea Cannery facility, for instance, should encourage proposals that result in the greatest retention of historic fabric.

Thank you for the opportunity to comment on the proposed Project. Please don't hesitate to contact me at (415) 947-0692 or BTurner@SavingPlaces.org if you have any questions or concerns.

Sincerely,



Brian R. Turner
Senior Field Officer/Attorney

CC: Councilmember Joe Buscaino, Council District 15
Office of Historic Resources, City of Los Angeles
Los Angeles Conservancy
San Pedro Historical Society