

EXCERPT OF MINUTES FOR THE SPECIAL MEETING OF THE BOARD OF
HARBOR COMMISSIONERS TUESDAY SEPTEMBER 29, 2009 AT 6:00 PM.

SAN PEDRO WATERFRONT PROJECT FINAL EIR

2. Re: RESOLUTION NO. 09-6822 - FINAL ENVIRONMENTAL IMPACT
REPORT (FEIR) FOR THE SAN PEDRO WATERFRONT PROJECT
(LAHD ADP NO. 041122-208; SCH NO. 2005061041)

SUMMARY: *Staff recommends that the Board of Harbor Commissioners (Board) certify the Final Environmental Impact Report (EIR) for the San Pedro Waterfront Project (Project) in accordance with the California Environmental Quality Act (CEQA), and approve the proposed Project. The proposed Project would connect the community with the waterfront, create waterfront promenades and open space, expand cruise facilities, and develop visitor-serving commercial development. Prior to approving the proposed Project, the Board will need to certify the EIR, make specific Findings regarding the significant environmental impacts of the proposed Project and mitigation measures to reduce or avoid such impacts, adopt a Statement of Overriding Considerations, and adopt a Mitigation Monitoring and Reporting Program to track mitigation. However, should the Board choose not to follow staff's recommendations, the analysis contained in the Draft and Final EIR would allow the Board to choose among six Project Alternatives, which have been co-equally analyzed.*

If approved, the proposed Project with mitigation applied, would result in significant unavoidable impacts to: Aesthetics; Air Quality; Biological Resources; Geology; Noise; Recreation; Ground Transportation and Circulation; and Water Quality, Sediments and Oceanography. The proposed Project would also result in a cumulatively considerable contribution to significant cumulative impacts in Aesthetics; Air Quality; Biological Resources; Cultural Resources; Geology; Noise; Recreation; Ground Transportation and Circulation; and Water Quality, Sediments, and Oceanography. Alternatives to the proposed Project would either not significantly avoid or reduce project impacts or would not adequately meet project objectives.

If approved, the proposed Project would result in a number of overriding benefits. Project implementation would enhance Tideland Trust uses, including maritime commerce, including, but not limited to navigation, public recreational facilities, open space and public access to the waterfront. The proposed Project would increase non-vehicular access to the waterfront, promote Los Angeles Harbor Department and City of Los Angeles sustainability program elements, and create significant new areas of open space. Project implementation would also implement Clean Air Action Plan (CAAP) measures for the cruise facilities resulting in reduced residential health risk in the San Pedro area.

Public spending under the proposed project would also result in 14,301 new construction-related jobs including 7,416 direct construction jobs and 6,885 indirect construction jobs. Private spending under the proposed project would

result in up to 4,899 construction-related jobs including 2,523 direct construction jobs and 2,376 indirect construction jobs. At full build-out and utilization, operation of the proposed Project would support 5,660 jobs including 3,060 direct jobs and 2,600 indirect jobs. The cruise industry would generate 4,100 of the jobs, of which 2,400 would be new jobs. Project construction is expected to generate local and regional tax revenues of \$95.4 million due to public spending and up to \$32.0 million due to private spending. At full build-out and utilization, cruise and commercial operations are expected to generate \$30.3 million each year in local and regional tax revenues.

Recommendation: Board resolve to (1) certify, pursuant to California Environmental Quality Act (CEQA) Guidelines §15090(a), that the Final Environmental Impact Report (EIR) for the San Pedro Waterfront Project (Project) (Transmittal 1) (a) has been completed in compliance with the CEQA, with the State CEQA Guidelines, and the Los Angeles City CEQA Guidelines; (b) was presented to the Board for review and the Board reviewed and considered the information contained in the Final EIR prior to approving the project; and (c) reflects the independent judgment and analysis of the Board, and that all required procedures have been completed; (2) adopt and make the attached CEQA Findings of Fact pursuant to CEQA Guidelines §15091, and Statement of Overriding Considerations pursuant to CEQA Guidelines §15093 (Transmittal 2); (3) find that, in accordance with the information contained in the Final EIR for the San Pedro Waterfront Project, the proposed Project a) will have significant environmental effects on Aesthetics; Air Quality and Meteorology; Biological Resources; Cultural Resources, Geology; Groundwater and Soils; Hazards and Hazardous Materials; Land Use and Planning; Noise; Recreation; Ground Transportation and Circulation; Utilities and Public Services; Water Quality, Sediments and Oceanography; and Cumulative Impacts, as defined by Public Resources Code §§21068, 21080, 21082.2, and 21083 and the State CEQA Guidelines, §§15064, 15064.5, and 15382; b) will not have significant effects for Marine Transportation; (4) find that, in accordance with the provisions of the State CEQA Guidelines §15091(a)(1), changes or alterations have been required in, or incorporated into, the proposed Project, which substantially lessen or avoid the significant adverse environmental impacts identified in the Final EIR; (5) find that, in accordance with the provisions of the State CEQA Guidelines §15091(a)(3), specific economic, legal, social, technological, or other considerations, make infeasible certain mitigation measures and Project Alternatives identified in the Final EIR. Impacts to Aesthetics; Air Quality; Biological Resources; Geology; Noise; Recreation; Ground Transportation and Circulation; Water Quality, Sediments and Oceanography; and Cumulative

Impacts remain significant and unavoidable even after all feasible mitigation is adopted; (6) find that all information added to the Final EIR after public notice of the Draft EIR availability for public review, but before certification, merely clarifies, amplifies, or makes insignificant modifications in an adequate EIR, and recirculation is not necessary; (7) find that, in accordance with Public Resources Code §21081(b) and State CEQA Guidelines §15093, the benefits of the project

outweigh the significant and unavoidable environmental impacts of the project, and adopt the Findings of Fact and Statement of Overriding Considerations (Transmittal 2); (8) adopt the Mitigation, Monitoring and Reporting Program (MMRP) transmitted herewith (Transmittal 3) as required by Public Resources Code, §21081.6 and CEQA Guidelines §15097. The MMRP is designed to ensure compliance with the mitigation measures adopted to mitigate or avoid significant effects on the environment, and identifies the responsibilities of Los Angeles Harbor Department (LAHD) as lead agency and other applicable entities, to monitor and verify project compliance with those mitigation measures and conditions of project approval; (9) approve the proposed Project identified in the Final EIR, including all feasible mitigation measures set forth in the EIR with consideration of the Findings of Fact and Statement of Overriding Considerations, and the MMRP; (10) authorize the Engineering Division to proceed with final design and direct them to incorporate the mitigation measures, conditions, Environmental Compliance Plan requirements, MMRP, and project environmental commitments into all Engineering Plans and Specifications and/or Engineering Permits for the proposed Project; (11) direct the Real Estate Division to incorporate the EIR, mitigation measures and the MMRP into any and all lease agreements or assignments encompassed in the approved Project; (12) authorize the Environmental Management Division to file the Notice of Determination for the subject project with the Los Angeles City Clerk; and (13) adopt the proposed Recommendations and this Resolution No. 09-6822.

Vice President Jerilyn López Mendoza moved to amend staff's recommendation, seconded by Commissioner Kaylynn L. Kim and carried by the following vote:

Ayes: President Cindy Miscikowski, Vice President Jerilyn López Mendoza, Commissioner Kaylynn L. Kim, and Commissioner Douglas P. Krause. (4)

Noes: None.

Vice President López Mendoza moved the following motion, ***"When we do move forward with an Outer Harbor Terminal, that we do so first on the East Channel at Berths 49 and 50,"** seconded by Commissioner Kaylynn L. Kim and carried by the following vote:

Ayes: President Cindy Miscikowski, Vice President Jerilyn López Mendoza, Commissioner Kaylynn L. Kim, and Commissioner Douglas P. Krause. (4)

Noes: None.

President Miscikowski moved the following motion, ***"The condition would be in three parts; direct the staff to report back to the Board within 30 days with an implementation strategy for the project. That strategy should include protocols**

for guiding the Board and the Port Staff in determining which projects go forward in which sequence. The protocols should include analysis of the various financing mechanisms for moving forward on both revenue generating and non-revenue generating projects. The protocols should also include a framework for appropriate thresholds to consider in the sequencing of each project and that might include market studies, and the like. Additionally, the protocols should also include a framework for public participation in the project implementation, which would include identifying appropriate stakeholders for the overall project implementation as well as stakeholders for specific elements within the project; this should include not only input on the implementation schedule of any project but input on the design elements as well. And in further, the staff is asked to include a proposal for more comprehensive design improvements for the inner harbor cruise terminal, recognizing its importance as the gateway to the San Pedro Waterfront with aesthetic and access improvements which befit its location and presence in the Port of Los Angeles.”

Motion to further amend staff’s recommendation made by President Cindy Miscikowski, seconded by Vice President Jerilyn López Mendoza, and carried by the following vote:

Ayes: President Cindy Miscikowski, Vice President Jerilyn López Mendoza, Commissioner Kaylynn L. Kim, and Commissioner Douglas P. Krause. (4)

Noes: None.

RECOMMENDATION APPROVED, *AS AMENDED, AND RESOLUTION NO. 09-6822 ADOPTED