

DATE: JUNE 11, 2024

FROM: ENVIRONMENTAL MANAGEMENT

SUBJECT: RESOLUTION NO. _____ - APPROVAL OF FINDINGS OF FACT, STATEMENT OF OVERRIDING CONSIDERATIONS, AND MITIGATION MONITORING AND REPORTING PLAN FOR THE PIER B ON-DOCK RAIL SUPPORT FACILITY PROJECT (APPLICATION FOR PORT PERMIT NUMBER 230223-040; STATE CLEARINGHOUSE NO. 2009081079)

SUMMARY:

Staff requests approval of the Findings of Fact, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Plan for the Port of Long Beach Pier B On-Dock Rail Support Facility Project (Project) (SCH No. 2009081079).

Although the Port of Long Beach (POLB) is the lead agency for this Project, components of the Project affect property owned by the City of Los Angeles Harbor Department (Harbor Department) and jointly owned by the POLB and the Harbor Department; therefore, the Harbor Department is a responsible agency under the California Environmental Quality Act (CEQA) and is required to take action to review environmental evaluation documents prior to administering permits. The Project's purpose is to reconfigure, expand, and enhance the capacity of the existing Pier B On-Dock Rail Support Facility located within POLB. POLB, as the Lead Agency under CEQA, analyzed the Project in the 2018 Final Environmental Impact Report (FEIR) and in the 2023 Addendum. The 2023 Addendum proposed minor additions to the Project's boundaries and construction activities, including changes affecting several Harbor Department and POLB (Ports) joint properties. The Harbor Department, as a Responsible Agency under CEQA, is required to consider POLB's CEQA document, prior to acting on a project as a Responsible Agency.

For the Project to be completed, the Harbor Department, in its role as a Responsible Agency, would be required to issue permanent and temporary entitlements, permits, and/or easements to the POLB.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Adopt the Findings of Fact and Statement of Overriding Considerations;

SUBJECT: APPROVAL OF FINDINGS OF FACT, STATEMENT OF OVERRIDING CONSIDERATIONS, AND MITIGATION MONITORING AND REPORTING PLAN FOR THE PIER B ON-DOCK RAIL SUPPORT FACILITY PROJECT (STATE CLEARINGHOUSE NO. 2009081079)

2. Adopt the mitigation measures contained in the Mitigation Monitoring and Reporting Plan that pertain to the construction occurring on Harbor Department property of the certified Final Environmental Impact Report;
3. Authorize the Environmental Management Division to file the Notice of Determination with the Los Angeles County Clerk and the State Clearinghouse; and
4. Adopt Resolution No. _____.

DISCUSSION

Project Background/Context – On January 22, 2018, the POLB Board of Harbor Commissioners approved and certified the Pier B On-Dock Rail Support Facility Project FEIR. Per CEQA, POLB made specific findings regarding the significant environmental impacts and the mitigation measures to reduce or avoid such impacts. POLB adopted a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program to track the mitigation, approved the Application Summary Report and the Harbor Development Permit per the California Coastal Act, and certified the Port Master Plan. On August 28, 2023, POLB considered an Addendum to the Project. The Addendum proposed minor additions to the Project’s boundaries and incorporated areas required for construction activities. POLB determined that none of the conditions outlined in California Code of Regulations Title 14 Section 15162 that would require POLB to prepare a supplemental or subsequent EIR had been triggered.

The Project is situated between the Dominguez Channel to the west, Interstate 710 (I-710) to the east, Ocean Boulevard to the south, and Anaheim Street to the north. The Project area includes rail tracks that extend west beyond the Terminal Island Freeway (State Route [SR] 103) to just west of the Dominguez Channel, where they connect with the Alameda Corridor, and south as far as Ocean Boulevard. Including the additional acreage incorporated under the Addendum, the entire Project area is approximately 139.3 acres.

The Harbor Department solely and jointly owns property on the western section of the Proposed Project. Approximately 14.5 percent (9.6 acres) of the entire Project area is on property that the Harbor Department solely or jointly owns with POLB and has jurisdiction over. Approximately 5.5 acres would be needed on a temporary basis during the Project construction and 4.1 acres would be required for permanent improvements and project operations. Actions occurring within POLA jurisdiction include construction and equipment laydown, pipeline and utility modifications, reconstruction and realignment of railroad tracks, installation of railroad turnouts and signals, as well as grading, resurfacing, and paving. In order for POLB to complete the project, they will require temporary entitlements, permits, and/or easements from the Harbor Department. The

SUBJECT: APPROVAL OF FINDINGS OF FACT, STATEMENT OF OVERRIDING CONSIDERATIONS, AND MITIGATION MONITORING AND REPORTING PLAN FOR THE PIER B ON-DOCK RAIL SUPPORT FACILITY PROJECT (STATE CLEARINGHOUSE NO. 2009081079)

Harbor Department, as a Responsible Agency under CEQA is required to consider the Lead Agency's CEQA document, prior to providing these entitlements.

Summary of Findings – The FEIR identified certain potentially significant effects that could result from the proposed Project. Most potentially significant environmental impacts of the proposed Project to the Harbor Department will be rendered less than significant through mitigation measures carried out by POLB. However, the following Project impacts are considered to be significant and unavoidable, as no feasible mitigation measures were identified that would mitigate significant adverse impacts to a level of insignificance:

Air Quality and Health Risk:

- Impact AQ-1: Construction of the Project would produce emissions that exceed the South Coast Air Quality Management District (SCAQMD) thresholds for volatile organic compounds (VOC), carbon monoxide (CO), nitrogen oxides (NO_x), and fine particulate matter less than 2.5 microns in diameter (PM_{2.5}) during Phases 1 and 2. Construction emissions during Phase 3 would exceed the SCQAMD threshold for NO_x and CO.
- Impact AQ-2: Construction of the Project would also generate offsite ambient pollutant concentrations that exceed the SCAQMD thresholds for 1-hour and annual NO₂ and annual PM₁₀ during Phases 1 and 2 and 1-hour and annual NO₂ during Phase 3.
- Impact AQ-3: Operation of the Project would produce CO and NO_x air emissions and NO₂ concentrations that exceed SCAQMD regional significance thresholds.
- Impact AQ-4: Operation of the Project would also produce offsite ambient 1-hour and annual NO₂ concentrations above significance thresholds.
- Because the area surrounding the proposed Project site is predominantly minority and low income, air quality impacts (Impact AQ-1 through AQ-6) would constitute a disproportionately high and adverse effect on minority and low-income populations.
- Cumulative significant and unavoidable air quality impacts from construction and operation of the proposed Project would constitute a disproportionately high and adverse effect on low-income and/or minority populations.

The FEIR identified three significant adverse environmental impacts that can be reduced to below a level of significance through mitigation:

SUBJECT: APPROVAL OF FINDINGS OF FACT, STATEMENT OF OVERRIDING CONSIDERATIONS, AND MITIGATION MONITORING AND REPORTING PLAN FOR THE PIER B ON-DOCK RAIL SUPPORT FACILITY PROJECT (STATE CLEARINGHOUSE NO. 2009081079)

Air Quality Impacts

- Impact AQ-6: The Proposed Project would expose receptors to significant levels of toxic air chemicals (TAC) without mitigation.

Biological Impacts

- Impact BIO-1: Construction and modification activities would contribute to the loss of migratory birds nesting in trees or structures, as well as the loss of bats and/or their habitats during modifications of bridges, would be potentially significant.

Cultural Impacts

- Impact CR-3: Construction of the project may result in the permanent loss of, or loss of access to, a paleontological resource of regional or statewide significance.

As a result of these impacts, the FEIR includes the following mitigation measures (MM) that are applicable to the Harbor Department. Each of these mitigation measures are will be implemented and monitored by POLB and their agencies. Transmittal 1 contains the details of each of the summarized mitigation measures below:

- MM AQ-1: Technology Review for new emissions-reducing technology shall be required on a five-year recurring basis to promote new emission control technologies as they become feasible.
- MM AQ-2: Compliance with United States Environmental Protection Agency (US EPA) 2010 on-road heavy duty vehicles diesel engine emissions standards.
- MM AQ-3: Compliance with US EPA CARB Tier four engine emission standards for 25 horse-power or greater equipment during construction operations.
- MM AQ-4: Verification of all off-road, diesel-powered construction equipment are in good maintenance condition, do not idle more than five minutes while in use, and that high-pressure fuel injectors are installed on construction equipment vehicles.
- MM AQ-5: Verification of site watering requirements required by SCAQMD Rule 403.
- MM BIO-1: Verification of a pre-construction bat survey prior to construction on or beneath the Dominguez Channel rail bridge.

SUBJECT: APPROVAL OF FINDINGS OF FACT, STATEMENT OF OVERRIDING CONSIDERATIONS, AND MITIGATION MONITORING AND REPORTING PLAN FOR THE PIER B ON-DOCK RAIL SUPPORT FACILITY PROJECT (STATE CLEARINGHOUSE NO. 2009081079)

- MM BIO-2: Verification of a pre-construction bird survey and as-needed monitoring in potential nesting bird habitats.
- MM CR-1: Establishment of a paleontological monitoring program during earthmoving that requires excavation at or below five feet of depth, or where fossiliferous or older alluvium material is encountered.
- MM CR-2: Temporary halting of construction work in the immediate vicinity of any potentially fossiliferous materials until a qualified vertebrate paleontologist can evaluate the discovery and implement appropriate treatment measures.

Summary of Overriding Considerations – If significant adverse impacts of a Project remain after incorporating feasible mitigation measures, or no feasible measures to mitigate the adverse impacts are identified, the lead agency must decide that the benefits of the Project outweigh the unavoidable, significant, adverse environmental effects if it is to approve the proposed Project.

Having reduced the potential effects of the Project through all feasible mitigation measures as described above and balancing the benefits of the Project against its potential unavoidable adverse impact on hazards involving the release of hazardous materials into the environment during operation, the Harbor Department finds that the following legal requirements and benefits of the Project individually and collectively outweigh the potentially significant unavoidable impacts for the following reasons:

1. Fulfills Port legal mandates and objectives.

The Project would fulfill the Ports mandates under the Los Angeles Trust Grant to promote and develop commerce, navigation, and fisheries, and other uses of statewide interest and benefit, including commerce and navigation uses. The California Coastal Act (CCA) recognizes the California ports as primary economic and coastal resources that are essential elements of the national maritime industry and obligates the Port to modernize and construct necessary facilities to “encourage rail service to port areas and multi-company use of facilities.” Providing a facility within POLB dedicated to supporting more efficient rail operations would improve the overall efficiency of goods movement within the San Pedro Bay Ports Complex and the regional transportation network. The CCA also provides that the Harbor Department should give highest priority to the existing use of land space within harbors for port purposes.

2. Implements the San Pedro Bay Ports Clean Air Action Plan (CAAP) - The CAAP committed the Ports to establish San Pedro Bay Emissions Reduction Standards to define targets for reduction of Port-related air impacts, specifically air quality and health risk impacts. The Project incorporates all applicable CAAP

SUBJECT: APPROVAL OF FINDINGS OF FACT, STATEMENT OF OVERRIDING CONSIDERATIONS, AND MITIGATION MONITORING AND REPORTING PLAN FOR THE PIER B ON-DOCK RAIL SUPPORT FACILITY PROJECT (STATE CLEARINGHOUSE NO. 2009081079)

measures and adheres to existing regulations. The Project would implement the CAAP's affirmation to invest in on-dock rail infrastructure and in programs that shift cargo to rail.

3. **Promotes a mode shift from transport of containers by truck to rail** - A fundamental purpose of the Project is to facilitate operational efficiencies in the Port through the transport of a larger proportion of containerized cargo directly to and from the San Pedro Bay Ports Complex via rail instead of by drayage trucks. This change would support the CAAP, the San Pedro Bay Ports Emissions Reduction Standards and the State's Sustainable Freight Action Plan.
4. **Supports the California Sustainable Freight Action Plan** - Certain elements of the Proposed Project serve to forward State goals by providing infrastructure for more efficient cargo transport. The 2016 Sustainable Freight Action Plan identifies the expansion of on-dock rail as one of many key improvements for freight facility modernization in the San Pedro Bay Ports. These improvements will increase capacity and throughput of terminals (reducing congestion and wait times), reducing truck trips and improving air quality near the ports.

ENVIRONMENTAL ASSESSMENT:

The Harbor Department, acting by and through its Board, has reviewed the FEIR (State Clearinghouse No. 2009081079) prepared for the Pier B On-Dock Rail Support Facility Project that was certified by POLB on January 12, 2018, and the Addendum considered on August 28, 2023, under CEQA (Pub. Resources Code, § 21000 et seq.). Based on this review, the Harbor Department herein makes certain findings pursuant to Public Resources Code Section 21081 and Title 14 California Code of Regulations Section 15091; makes findings regarding the Statement of Overriding Considerations pursuant to Public Resources Code Section 21081 and Title 14 California Code of Regulations Section 15093; and sets forth a Mitigation Monitoring and Reporting Plan (MMRP) that pertains to the Pier B On-Dock Rail Support Facility Project certified FEIR pursuant to Public Resources Code Section 21081 and Title 14 California Code of Regulations Section 15097.

In accordance with Public Resources Code Section 21081 and Title 14 California Code of Regulations Section 15091, changes or alterations have been required in, or incorporated into the Project in the form of feasible mitigation, which would reduce significant adverse environmental impacts identified in the FEIR. Mitigation Measures contained in the EIR would be incorporated, as appropriate, in permits for the Project. The mitigation measures that apply to POLA-owned property are included in the Mitigation Monitoring and Reporting Program.

DATE: JUNE 11, 2024

PAGE 7 OF 8

SUBJECT: APPROVAL OF FINDINGS OF FACT, STATEMENT OF OVERRIDING CONSIDERATIONS, AND MITIGATION MONITORING AND REPORTING PLAN FOR THE PIER B ON-DOCK RAIL SUPPORT FACILITY PROJECT (STATE CLEARINGHOUSE NO. 2009081079)

In accordance with Public Resources Code Section 21081 and Title 14 California Code of Regulations Section 15093, the Harbor Department, in determining whether or not to approve the Project, balanced the economic, social, technological, and other Project benefits against its unavoidable environmental risks, and finds that each of the benefits of the project outweigh the significant adverse environmental effects. No additional feasible mitigation measures or alternatives to the proposed Project, other than those included in the FEIR, have been identified that can further mitigate the potentially significant adverse project impacts on hazards during the proposed Project while meeting the basic objectives of the proposed Project. In summary, no additional feasible mitigation measures or alternatives were identified that could further reduce the significant project-specific and cumulative environmental impacts identified. The Harbor Department further finds that all findings are supported by substantial evidence as analyzed in the FEIR and in the administrative record as a whole. When making CEQA findings required by Public Resources Code Section 21081(a), a public agency shall specify the location and custodian of the documents or other materials, which constitute the record of proceedings upon which its decision is based. These records are in the care of the Director of Environmental Management, Los Angeles Harbor Department, 425 S Palos Verdes Street, San Pedro, California 90731.

The Harbor Department further finds that there have been (1) no substantial changes to the Project which would require major revisions of the FEIR, (2) no substantial changes with respect to the circumstances under which the proposed Project is being undertaken which would require major revisions in the FEIR, and (3) no new information has become available which was not known or could have been known at the time the FEIR was certified as complete.

FINANCIAL IMPACT:

This Board action neither authorizes any expenditures related to the revised Project nor commits the Harbor Department to complete the modifications. As this is a Port of Long Beach Project, there will be no expenditures from the Harbor Department.

CITY ATTORNEY:

The Office of the City Attorney has reviewed this item and has found that there are no legal issues present at this time.

DATE: JUNE 11, 2024


PAGE 8 OF 8

SUBJECT: APPROVAL OF FINDINGS OF FACT, STATEMENT OF OVERRIDING CONSIDERATIONS, AND MITIGATION MONITORING AND REPORTING PLAN FOR THE PIER B ON-DOCK RAIL SUPPORT FACILITY PROJECT (STATE CLEARINGHOUSE NO. 2009081079)

TRANSMITTAL:

1. Findings of Fact, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Plan for the Pier B On-Dock Rail Support Facility Project

FIS Approval: JS
CA Approval: GC



LISA WUNDER
Acting Director of Environmental Management

Michael DiBernardo

MICHAEL DiBERNARDO
Deputy Executive Director

APPROVED:

Erica M. Calhoun for

EUGENE D. SEROKA
Executive Director

LW/NE:SW:mrk
AUTHOR: S. Workman

FILE: Y:_ADMIN_BOARD REPORTS_CEQA\PIER B RAILYARD PROJECT\Environmental_Pier B Railyard_Board Report - FINAL.docx
Updated: 6/11/2024 11:01AM - MRX