



**THE PORT
OF LOS ANGELES**

Executive Director's
Report to the

Board of Harbor Commissioners

DATE: MAY 18, 2026

FROM: ENVIRONMENTAL MANAGEMENT

SUBJECT: RESOLUTION NO. _____ - CERTIFICATION OF FINAL ENVIRONMENTAL IMPACT REPORT TO THE TERMINAL ISLAND MARITIME SUPPORT FACILITY PROJECT (LOS ANGELES HARBOR DEPARTMENT APPLICATION FOR PORT PERMIT NO. 230131-011; STATE CLEARINGHOUSE NO. 2023120181)

SUMMARY:

Staff requests certification of the Final Environmental Impact Report (Final EIR) for the Terminal Island Maritime Support Facility Project (Project) prepared in accordance with the California Environmental Quality Act (CEQA) (Pub. Resources Code, §§ 21000 et seq., CEQA Guidelines, § 15000 et seq.).

The proposed Project involves the development and operation of a chassis support facility on an approximately 89.2-acre site at 740 Terminal Way, San Pedro, CA 90731 on Terminal Island, within the Port of Los Angeles (Port). The Project would construct and install office trailers, maintenance and repair (M&R) facilities, restrooms, guard shacks, chassis stalls, and appurtenant water and electrical infrastructure. The existing vacant Eldridge Street office building (750 Eldridge Street on Terminal Island) would also be refurbished to support operations.

In this action, the Board of Harbor Commissioners (Board) will need to independently review and consider the adequacy of the Final EIR and, if deemed adequate under CEQA, certify the Final EIR and adopt the Findings of Fact (Findings), Statement of Overriding Considerations (SOC), and Mitigation Monitoring and Reporting Program (MMRP). With the application of mitigation measures and a project feature, the proposed Project would still result in a significant and unavoidable impact and a considerable contribution to significant cumulative impact related to air quality. It would also result in less than significant impacts related to greenhouse gas emissions and hazards and hazardous materials with the implementation of mitigation measures.

The City of Los Angeles Harbor Department (Harbor Department) will be financially responsible for all costs associated with the implementation of the Project, as supplemented by a \$149.33 million grant from the California State Transportation Agency (CalSTA) Port and Freight Infrastructure Program (PFIP).

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RECOMMENDATION:

It is recommended that the Board:

1. Certify that the Final Environmental Impact Report for the Terminal Island Maritime Support Facility Project (a) has been completed in compliance with CEQA (Public Resources Code §21000 et seq.), with the State CEQA Guidelines (14 Cal. Code Regs. §15000 et. seq.), and the City of Los Angeles CEQA Guidelines; (b) was presented to the Board for review and the Board considered the information contained in the Final EIR prior to approving the proposed Project; and (c) reflects the independent judgment and analysis of the City of Los Angeles Harbor Department as the Lead Agency under CEQA, and that all required procedures have been completed;
2. Adopt the Findings of Fact and Statement of Overriding Considerations;
3. Find that, in accordance with the information contained in the Final EIR, the proposed Project will have significant environmental effects on the environment related to air quality as defined by Public Resources Code Sections 21068 and 21082.2, and the State CEQA Guidelines, Sections 15064, 15064.4, and 15382;
4. Find that in accordance with the provisions of the State CEQA Guidelines Section 15091(a)(1), changes or alterations have been required in, or incorporated into, the proposed Project, which substantially lessens or avoids one or more of the significant adverse environmental impacts identified in the Final EIR;
5. Find that all information added to the Final EIR after public notice of the availability of the Draft EIR and Partially Revised and Recirculated Draft EIR for public review but before certification, merely clarifies, amplifies, or makes insignificant modifications in an adequate EIR and additional recirculation is not necessary;
6. Adopt the Mitigation Monitoring and Reporting Program as required by Public Resources Code, Section 21081.6. The Mitigation Monitoring and Reporting Program is designed to ensure compliance with the mitigation measures and project features adopted to avoid or lessen significant effects on the environment, and identifies the responsibilities of the City for Los Angeles Harbor Department, as Lead Agency, to monitor and verify proposed Project compliance with those mitigation measures and project features;
7. Approve the proposed Project identified in the EIR including all feasible mitigation measures and project features with consideration of the Findings of Fact, Statement of Overriding Considerations, and the Mitigation Monitoring and Reporting Program;
8. Direct the Cargo and Industrial Real Estate Division to incorporate by reference the EIR, mitigation measures, project features, and Mitigation Monitoring and Reporting

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Program into any and all lease agreements or assignments related to the approved Project;

9. Authorize the Environmental Management Division to post a Notice of Determination with the Los Angeles County Clerk and the State Clearinghouse; and

10. Adopt Resolution No. _____.

DISCUSSION:

Project Description – The proposed Project consists of the development and operation of a chassis support facility on an approximately 89.2-acre site, including approximately 71 acres of usable space within “the loop” at 740 Terminal Way in San Pedro, CA 90731 on Terminal Island and within the Port. The proposed Project would construct and install up to two 10-foot by 40-foot office/welfare buildings, four 30-foot-tall canopy structures, eight restrooms, eight guard booths, M&R facilities, chassis stalls (i.e., parking spaces), and appurtenant water and electrical infrastructure. The existing vacant Eldridge Street office building (750 Eldridge Street, San Pedro) would also be refurbished to support operations. The chassis support facility could be operated by multiple companies, each of which would likely conduct chassis support operations out of separately built infrastructure, including separate charging stations and electric hookups at the site. The proposed Project includes a Port Master Plan amendment to change the land use designation from Container, Maritime Support, and Liquid Bulk to a dual designation of Container and Maritime Support. While not certain at this time, it is assumed that multiple companies could operate on the site at once; however, the analysis of the proposed Project is based upon the operation of the project site as a chassis support facility and ancillary empty wheeled container storage facility operated by a single operator with construction activities necessary to support up to four operators. The proposed Project also involves the storage, repair, and maintenance of chassis with supporting office space(s) onsite and the Eldridge Street office building. The Final EIR assumes 25 years of operations.

To support Clean Air Action Plan goals, the operator(s) would be required to utilize zero emission yard equipment no later than January 1, 2030.

Project Objectives – The primary objectives of the proposed Project are:

- Issue a Term Permit or Permits for the operations of a chassis support facility or facilities for up to 25 years;
- Optimize the use of existing land to support chassis storage;
- Reduce inefficient chassis trips: currently, bobtails (truck tractors) are sometimes not able to obtain a chassis in the terminal and need to go to another terminal to retrieve a chassis and then return to the same terminal to retrieve a container, thus resulting in additional inefficient truck trips and vehicle miles traveled;

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- Provide a full-service depot that would increase the efficiency of terminal operations by providing storage, maintenance, repair, and stop/start functions of chassis, and/or wheeled empty container storage; and
- Advance the Port's zero-emission cargo-handling equipment goals by requiring their exclusive use at the site by January 1, 2030.

ENVIRONMENTAL ASSESSMENT:

CEQA Responsibilities – The Harbor Department is the CEQA Lead Agency for the proposed Project. As such, the Board is responsible for reviewing and considering the Final EIR (Transmittal 1) and, at its discretion, certifying that the Final EIR has been completed in accordance with CEQA, the State CEQA Guidelines, and the Los Angeles City CEQA Guidelines; has been presented to the Board for review and the Board considered the information contained in the Final EIR, and that it reflects the independent judgment and analysis of the Harbor Department. Certification of the Final EIR must precede the project approval. Project approval requires that the Board first independently review and certify the Final EIR as adequate; then adopt the Findings and SOC for the proposed Project (Transmittal 2) and the feasibility of mitigation measures and alternatives; and adopt a MMRP (Transmittal 3).

Scope and Content of Environmental Document – The Draft EIR, released September 15, 2025, incorporates, as appropriate, information received on the Notice of Preparation/Initial Study (NOP/IS) for the proposed Project, assesses environmental impacts of the proposed Project, and analyzes mitigation measures to reduce or avoid significant environmental effects. Based on comments received on the Draft EIR, emissions calculations for the proposed Project were updated and a Partially Revised and Recirculated Draft EIR was released on January 26, 2026. The Final EIR reflects the Draft EIR and the Partially Revised and Recirculated Draft EIR, incorporates modifications and corrections, includes the transcript from the Draft EIR Public Meeting, contains responses to all public comments made on the Draft EIR and the Partially Revised and Recirculated Draft EIR, and contains records of the public process.

Intended Uses of the Final EIR – The Final EIR informs public agency decision-makers and the general public of the significant environmental effects of the proposed Project and recommends mitigation measures to minimize the significant effects. The Final EIR assesses the potential impacts, including cumulative impacts, related to the proposed Project. The analysis in the Final EIR supports future potential discretionary actions of the Board. For the Harbor Department, these actions could include but are not limited to, issuance of coastal development permits, the amendment of the Port Master Plan, issuance of engineering permits, and approval of Permit amendments.

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Environmental Documentation Process and Public Involvement – The proposed Project was subject to the required environmental documentation process that included public disclosure as required by CEQA. The procedural steps of the process are described below.

1. Notice of Preparation/Initial Study (NOP/IS) – In accordance with the Los Angeles City CEQA Guidelines, Article VI, Section 1.5, and the State CEQA Guidelines, Section 15082, the responsible agencies, participating City agencies, and other concerned parties were consulted through an NOP/IS released on December 7, 2023 and public scoping meeting held on January 9, 2024 via Zoom. One comment was received during the scoping meeting, and three written comment letters were received from various agencies and the public during the comment period, which closed on January 22, 2024.

A copy of the NOP/IS was made available for review online at www.portoflosangeles.org/ceqa and at the Harbor Department's Environmental Management Division office.

2. Draft EIR – The Draft EIR was released for public review on September 15, 2025. The document was made available on the Port website and notices were mailed and emailed to over 100 interested parties.

Public notices of availability stating that the Draft EIR was available for review were published in the following five newspapers: Long Beach Press-Telegram, HOY, Random Lengths, Torrance Daily Breeze, and Metropolitan News Enterprise.

A public hearing was held on October 1, 2025 via Zoom to present the findings of the environmental analysis and accept oral comments. No oral comments were received at the public hearing. Five written comments were received from California Coastal Commission (CCC), California Department of Transportation (Caltrans), California Air Resources Board (CARB), Department of Toxic Substances Control (DTSC), and South Coast Air Quality Management District (SCAQMD) during the 46-day public comment period. The public review period concluded on October 30, 2025.

Based on comments received on the Draft EIR, emissions calculations for the proposed Project were updated and a Partially Revised and Recirculated Draft EIR was released on January 26, 2026. The 45-day public review period concluded on March 11, 2026. There was no public hearing for the Partially Revised and Recirculated Draft EIR. One comment letter was received during the Partially Revised and Recirculated Draft EIR review period.

3. Responses to Comments – As required by Public Resources Code Section 21092.5, all public responsible and trustee agencies who commented on environmental issues in the Draft EIR and the Partially Revised and Recirculated Draft EIR were provided

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with proposed responses to those comments at least 10 days prior to the Final EIR being submitted to the Board for certification.

4. Final EIR – In accordance with the Los Angeles City CEQA Guidelines, Article I, and the State CEQA Guidelines, Section 15088, comments received on the Draft EIR and Partially Revised and Recirculated Draft EIR were evaluated. The Final EIR includes minor modifications to the Draft EIR and the Partially Revised and Recirculated Draft EIR, as well as all comment letters received during the public review periods, the Draft EIR public meeting transcript, and responses to comments. The Final EIR was completed in April 2026.
5. Findings and Conclusions – The Final EIR transmitted herewith, identifies major findings and conclusions, including a discussion of areas of environmental concern, feasible mitigation measures, and unavoidable impacts. The discussion below summarizes the proposed Findings and SOC for the Board’s consideration.

Areas of Environmental Concern – Through the public review process, no comments were presented at the public hearing held on October 1, 2025 and five comment letters were received during the Draft EIR public review period: CCC, Caltrans, CARB, DTSC, and SCAQMD. One comment letter from the American Soybean Association was received during the Partially Revised and Recirculated Draft EIR public review period. This section summarizes the key areas of environmental concern expressed by commenters. Detailed responses to all comments received on the document (Draft EIR and the Partially Revised and Recirculated Draft EIR) are included in Final EIR Chapter 10, Responses to Comments.

Air Quality, Diesel Emissions, and Community Health

- Provide substantial evidence to support the on road and offsite vehicle miles traveled and idling times
- Consider incorporating more stringent idling and zero/near-zero requirements for drayage trucks accessing the site
- Evaluate potential localized exposure of nearby residences and schools to diesel emissions and toxic air contaminants (CARB, SCAQMD)
- Assess airborne emissions and dust from remediation activities in accordance with SCAQMD Rules 1166 and 1466 (SCAQMD)
- Assess consistency with the Wilmington, Carson, and West Long Beach Community Emissions Reduction Plan (WCWLB CERP) (CARB, SCAQMD)
- Confirm air quality methodology, including meteorological data, modeling approach, and modeling software (SCAQMD)

Transportation & Construction Coordination

- Obtain required Caltrans encroachment permits for all work within or adjacent to SR-47

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- Ensure grading or drainage activities do not alter runoff patterns affecting Caltrans right-of-way
- Coordinate construction timing with the Vincent Thomas Bridge Deck Replacement Project and other nearby infrastructure projects. (Caltrans)
- Manage heavy truck and equipment movements to minimize congestion on State highways. (Caltrans)

Water Quality, Sediment Management, and Coastal Resources

- Evaluate whether residual contaminated soils could become mobilized and affect surface or groundwater quality under future sea-level rise or groundwater intrusion conditions, consistent with Port Master Plan Policy 2.1 (Coastal Commission)
- Preserve clean, beach-compatible materials encountered during grading for potential beach nourishment (Coastal Commission)
- Ensure unsuitable dredged or excavated materials are properly managed and disposed of (DTSC, CCC)

Cultural and Tribal Cultural Resources (CCC)

- Further evaluate potential archaeological, paleontological, and Tribal cultural resources within disturbed soils
- Conduct consultation with California Native American Tribes
- Include Tribal cultural monitoring during ground-disturbing activities if warranted

Perfluoroalkyl and polyfluoroalkyl (PFAS) Contamination – DTSC recommended that PFAS testing be incorporated into the mitigation measures because the Project site previously contained a fuel tank farm and storage facilities. In response, MM HAZ-1 (*Characterize Soil, Soil Vapor, and Groundwater Contamination*) has been revised to include PFAS testing at a minimum.

Former Naval Air Base and Munitions Hazards – DTSC advised additional research on the historical Naval Air Base boundaries and Formerly Used Defense Sites in relation to the Project area.

Worker Health and Safety – DTSC recommended that the Port prepare a Health and Safety Plan to protect construction workers, ensure that excavated soil is properly treated and disposed of at permitted landfills, and prevent reuse of contaminated soil as fill at residential sites.

Imported Fill Material and Soil Management – DTSC instructed that all imported fill material be tested for contaminants per DTSC's Preliminary Endangerment Assessment Guidance Manual and Clean Imported Fill Material Fact Sheet, with proper documentation of the soil's source and prior land use to prevent introducing new contamination.

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Community Health Impacts – CARB stated that the Project is located within the Wilmington-Carson-West Long Beach community, designated under AB 617 due to high cumulative air pollution exposure affecting nearby residences and schools, and recommended to demonstrate that Project emissions and operations will not worsen local community exposure risks.

Truck Trips/Trip Length Data – CARB instructed that substantial evidence be provided supporting that the Project will not result in a net increase in total truck trips within the Port complex. Additionally, provide substantial evidence supporting construction and operational truck travel distances used in the air quality analysis.

Air Quality Measures – CARB recommended to incorporate a mitigation measure or project feature to mandate phased transition to an all zero-emission drayage fleet, and include lease conditions to require all heavy-duty trucks entering the construction site during grading and building be model 2014 or later that should also meet CARB's lowest optional low-NOx standard starting in the year 2022, and restricting trucks and support equipment from idling longer than two minutes while on site.

6. Impact Determinations

Unavoidable Significant Impacts – Significant impacts identified for the proposed Project are discussed in the Findings and SOC, with findings provided for each impact. The only significant and unavoidable impact identified in the EIR is related to operational NOx emissions under Air Quality. Additionally, emissions from operations would make a cumulatively considerable and unavoidable residual contribution to a significant cumulative impact related to NOx emissions. The 2023 NOP/IS identified potentially significant impacts for Hazards and Hazardous Materials, Energy, and Greenhouse Gas Emissions; however, the Final EIR determined that impacts related to Energy would be less than significant. Impacts related to Greenhouse Gas Emissions and Hazards and Hazardous Materials would be reduced to less than significant with the incorporation of mitigation.

Significant Impacts that can be Mitigated, Avoided, or Substantially Lessened – The following significant impacts can be reduced to below a level of significance under CEQA through implementation of mitigation as described in the Findings and SOC:

- Greenhouse Gas Emissions; and
- Hazards and Hazardous Materials.

A summary of impact determinations and the project feature (PF) and mitigation measures (MMs) applicable for each impact category is found below.

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Environmental Impact	MM and/or PF	Impacts of proposed Project
Air Quality	<p>PF AQ-1: Zero-Emission Operational Equipment.</p> <p>MM AQ-1: Zero-Emission Cargo-Handling Equipment.</p>	Significant and Unavoidable - Operation emissions would be significant for NOx in all operational years
Hazards and Hazardous Materials	MM HAZ-1: Characterize Soil, Soil Vapor, and Groundwater Contamination.	Less Than Significant with Mitigation Incorporated
Energy	<p>Mitigation not required.</p> <p>PF AQ-1: Zero-Emission Operational Equipment.</p> <p>MM AQ-1: Zero-Emission Cargo-Handling Equipment.</p>	Less Than Significant
Greenhouse Gas Emissions	<p>MM GHG-1: GHG Reduction Offsets</p> <p>PF AQ-1: Zero-Emission Operational Equipment.</p> <p>MM AQ-1: Zero-Emission Cargo-Handling Equipment.</p>	Less Than Significant with Mitigation Incorporated

7. Implementation of Proposed Mitigation Measures – In accordance with the provisions of the Los Angeles City CEQA Guidelines, Article I, the State CEQA Guidelines Section 15091(a)(1), and the information contained in the EIR, changes or alterations have been required in, or incorporated into the Project as recommended for approval in the form of feasible mitigation which substantially lessen or avoid significant adverse environmental impacts identified in the EIR. All mitigation measures and project features can be found in the MMRP.

When making the CEQA findings required by Public Resources Code Section 21081(a), a public agency shall adopt a reporting or monitoring program in accordance with Public Resources Code Section 21081.6 for changes to the Project which it has adopted or made a condition of Project approval to mitigate or avoid significant effects on the environment. A MMRP is transmitted for Board consideration and adoption. In

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addition, should the Board elect to approve the proposed Project, the mitigation measures and project features contained in the EIR would be incorporated as appropriate in permits including but not limited to engineering specifications, engineering construction permits, real estate entitlements, and/or coastal development permits for the approved Project.

8. EIR Certification and Project Approval – Any changes added to the Final EIR after the public review period are minor and merely clarify, amplify, or make minor modifications. In light of these findings and conclusions, staff recommends certification of the Final EIR as prepared in accordance with CEQA and implementing guidelines and approval of the proposed Project and adoption of all feasible mitigation measures and project features.
9. Record of Proceedings – 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 material 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.
10. Notice of Determination – In accordance with Los Angeles City CEQA Guidelines, Article I, and the State CEQA Guidelines Section 15094, a Notice of Determination will be filed with the Office of Planning and Research and the Los Angeles County Clerk's Office after Project approval. Public Resources Code Section 21167(c) provides that any action or proceeding alleging that an EIR does not comply with the provisions of CEQA shall be commenced within 30 days after filing the Notice of Determination.

FINANCIAL IMPACT:

This board item is administrative in nature as it requests the Board's certification of the Final Environmental Impact Report for the Project. If approved, the Harbor Department will be financially responsible for implementing the Project which is estimated to cost \$270.1 million. These costs will be capitalized and recorded under Account 161305 (Construction in Progress), Division 00000 (Harbor Global), Project 2573500 (Terminal Island Maritime Support Facility). Project costs will be offset by the \$149.33 million PFIP grant awarded by CalSTA. Approval of a construction management firm will be presented to the Board through separate Board action in the future.

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CITY ATTORNEY:

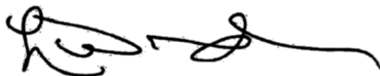
Based upon the information presented, the Board of Harbor Commissions may, in its discretion, certify the Final EIR as being in conformance with the requirements of the California Environmental Quality Act.

TRANSMITTALS:

1. Final Environmental Impact Report
2. Findings of Fact and Statement of Overriding Considerations
3. Mitigation Monitoring and Reporting Program

FIS Approval: JS (initials)

CA Approval: SO (initials)



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