



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

DATE: APRIL 19, 2012

FROM: PLANNING & ECONOMIC DEVELOPMENT

**SUBJECT: RESOLUTION NO. _____ – DISTRIBUTION OF DRAFT PORT
MASTER PLAN AMENDMENT NO. 27 – AL LARSON BOAT SHOP**

SUMMARY:

The City of Los Angeles Harbor Department (Harbor Department) proposes to distribute Draft Port Master Plan Amendment No. 27 – Al Larson Boat Shop (Draft Amendment No. 27), publish the Notice of Completion for Draft Amendment No. 27, and schedule a public hearing on the draft amendment, as required by the California Coastal Act. Draft Amendment No. 27 would allow Al Larson Boat Shop (ALBS) to modernize and upgrade their existing facility in Fish Harbor and addresses the creation of 0.9 acres of new land. The newly created 0.9 acres in Fish Harbor would be located in Planning Area 8 and would have an “industrial” land use designation.

RECOMMENDATION:

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

1. Approve the distribution of Draft Amendment No. 27 to interested persons, organizations, and governmental agencies, including the California Coastal Commission and all tenants of the Port of Los Angeles;
2. Approve the publication of the Notice of Completion for the subject amendment;
3. Hold a public hearing for Draft Amendment No. 27 at the Board of Harbor Commissioners' regularly scheduled meeting on Thursday, June 7, 2012, at 8:30 a.m. at the Harbor Administration Building, 425 S. Palos Verdes Street, San Pedro, California 90731; and
4. Adopt Resolution No. _____.

DISCUSSION:

Background – ALBS was established in the Port of Los Angeles (Port) in 1903 and was originally located on Mormon Island in Wilmington, California; the original lease was with the Banning family. The operation moved to its current location (Transmittal 2 - 1046 Seaside Avenue on Terminal Island, Berth 258) in 1924, and currently occupies

SUBJECT: DISTRIBUTION OF DRAFT AMENDMENT NO. 27

approximately 7.7 acres (2.35 acres of land and 5.35 acres of water) at Berth 258, under Revocable Permit No. 07-15. It is the last remaining large-capacity dry dock boat repair facility within the Port. ALBS can dry-dock vessels up to 260 feet in length, providing maintenance and repair services to tugboats, government vessels, fireboats, ferries, barges, offshore oil equipment, and research vessels. Operations include normal boat yard activities such as water or sand blasting, and painting of vessels. ALBS services on average 120 to 130 vessels per year and has between 70 to 100 employees on-site depending on workload.

In June 2008, ALBS submitted an Application for Discretionary Project to the Harbor Department for a 30-year lease renewal and a coastal development permit to modernize and upgrade their existing boat shop. The Al Larson Boat Shop Improvement Project Draft Environmental Impact Report (EIR) was released on January 20, 2012, and the public comment period ended on March 7, 2012.

The proposed modernization project would result in the creation of 0.9 acres of new land through the construction of two confined disposal facilities (CDF) to sequester contaminated sediment (Transmittal 1). The proposed fills are not addressed in the current Port Master Plan and require an amendment, as outlined in Section 30711(a)(1) of the California Coastal Act. The newly created 0.9 acres in Fish Harbor would be located in Planning Area 8 and assigned an "industrial" land use, which is a permitted land use in this planning area.

Project Description – The ALBS project includes the following:

1. Demolition of 200 linear-foot of timber wharf, finger piers for the old railway system hoist, and 6 buildings
2. Construction of two concrete finger piers and installation of new 600- and 100-ton boat lifts
3. Construction of sheet pile walls to create the two new CDFs
4. Excavation of 7,600 cubic yards (cy) of contaminated soil and replacement with imported clean soil
5. Site grading, paving, lighting, utility relocations, and storm drain system, including an oil/water separator
6. Dredging a total of 19,000 cy to a depth of -22 feet mean lower low water (MLLW), plus an additional 2-foot overdredge allowance
7. Construction of a new 2,400 square foot two story office building

The proposed project would result in ALBS having the ability to address National Pollutant Discharge Elimination System (NPDES) stormwater discharge requirements and enhances ship repair capabilities. The proposed CDFs would beneficially reuse contaminated dredge materials and result in approximately 0.9 acres of new land, which would be utilized for increased vessel maintenance and repair activities.

DATE: APRIL 19, 2012

PAGE 3 OF 4

SUBJECT: DISTRIBUTION OF DRAFT AMENDMENT NO. 27

Process – This recommended Board action would initiate the public review process through the release of the Notice of Completion for Draft Amendment No. 27 and the scheduling of a public hearing on the draft amendment (Transmittal 3). Pursuant to the California Coastal Act of 1976, as amended, the Board is required to hold a public hearing on Draft Amendment No. 27 no earlier than 30 days and no later than 90 days from the date the Notice of Completion is published. Authorizing the public hearing during the Board's regularly scheduled meeting on June 7, 2012, would meet this requirement.

Following the public hearing, Draft Amendment No. 27 would be finalized based on the public comments received during the public review period and public hearing. Final Amendment No. 27 would then be submitted to the Board for consideration. Should the Board approve Final Amendment No. 27, it would then be submitted to the California Coastal Commission (Coastal Commission) for certification. Pending certification, further actions required to make the amendment effective, required by Title 14, Section 13632(e) of the California Code of Regulations, include the Board adopting the amendment as certified by the Coastal Commission and the Coastal Commission accepting the Board's action as being consistent with its certification. Approval of these actions would result in the Board having coastal development permit issuance authority for the new fill and other improvements for the ALBS modernization project.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval to distribute to interested parties a draft amendment to the Port Master Plan for the creation of 0.9 acres of new land by constructing two CDFs at the Al Larson Boat Shop. This action is limited to initiating the public review process and notice and does not constitute approval of the proposed ALBS project or Final Port Master Plan Amendment, which will occur later when the Board considers whether to certify the Final EIR. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

ECONOMIC BENEFITS:

This Board action will have no direct employment effect.

FINANCIAL IMPACT:

This recommended Board action initiates the public notice and review process for Draft Amendment No. 27. This Board action does not approve the implementation of the proposed project, which will be sought and presented to the Board in a

DATE: APRIL 19, 2012

PAGE 4 OF 4

SUBJECT: DISTRIBUTION OF DRAFT AMENDMENT NO. 27

future separate action. Additionally, all proposed construction costs and subsequent operating and maintenance costs associated with the project would be the responsibility of Al Larson Boat Shop. However, to date the Harbor Department has expended approximately \$624,500 on EIR-related costs for the proposed project.

Approval of the recommendations set forth herein entails costs related to distributing, publishing, and holding a public hearing with respect to Draft Amendment No. 27. In addition to Harbor Department staff time and resources spent on the proposed Draft Amendment No. 27, funds for FY 2011/2012 in the amount of \$400 for distribution and publication of Draft Amendment No. 27 are budgeted in Center No. 0428, Account 52020, Program 000.

CITY ATTORNEY:

This matter presents no legal issues at this time.

TRANSMITTALS:

1. Draft Port Master Plan Amendment No. 27 – Al Larson Boat Shop
2. Site Map
3. Notice of Completion

FIS Approval: ey (initials)

CA Approval: TRC (initials)


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~~FOR~~ KATHRYN McDERMOTT
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APPROVED:


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