



Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: NOVEMBER 19, 2012**

**FROM: PLANNING & ECONOMIC DEVELOPMENT**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - ISSUANCE OF A LEVEL III COASTAL DEVELOPMENT PERMIT (NO. 12-13) FOR THE SOUTH WILMINGTON GRADE SEPARATION PROJECT BETWEEN HARRY BRIDGES BOULEVARD, PIER A STREET, FRIES AVENUE, AND TRAPAC, INC. (TRAPAC) TERMINAL**

**SUMMARY:**

The City of Los Angeles Harbor Department (Harbor Department) is proposing to construct the South Wilmington Grade Separation (SWGS) Project, which will construct an approximately 4,100-foot-long grade separation structure linking Harry Bridges Boulevard, Pier A Street, and Fries Avenue with a proposed new entrance to the TraPac Terminal. The grade separation will improve traffic flow, enhance public safety, and reduce air quality impacts of vehicles idling while waiting for a train to pass. Staff is recommending the Board of Harbor Commissioners (Board) approve Coastal Development Permit (CDP) No. 12-13, a Level III, non-appealable permit for the proposed project.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners:

1. Hold a public hearing for the proposed Level III, non-appealable Coastal Development Permit No. 12-13;
2. Find that the proposed project conforms with the Port Master Plan and the California Coastal Act of 1976, as amended, and find that this project will have no significant adverse environmental impacts as provided in the California Environmental Quality Act;
3. Upon closure of the public hearing, authorize the Executive Director to approve the issuance of Coastal Development Permit No. 12-13, consistent with the project description listed on Application for Discretionary Project No. 060213-009; and
4. Adopt Resolution No. \_\_\_\_\_.

**SUBJECT: LEVEL III CDP FOR THE SWGS PROJECT**

**DISCUSSION:**

Background/Context – The SWGS Project includes the construction of a grade separation structure linking Harry Bridges Boulevard, Pier A Street, and Fries Avenue with a proposed new entrance to the TraPac Terminal. The SWGS Project will carry vehicular traffic over the Pier A Street Rail Yard entrance track, which is frequently used for switching purposes, and over the San Pedro mainline railroad track. Separation of truck traffic from rail traffic is necessary to facilitate the efficient flow of truck traffic from Harry Bridges Boulevard to the proposed TraPac Terminal entrance (Transmittal 1). On April 5, 2006, the Board approved a Level III, non-appealable Coastal Development Permit (No. 06-01) for the Fries Avenue Grade Separation Project, now known as the SWGS Project. As construction did not begin within the required two years from the effective date of CDP No. 06-01, the permit expired in April 2008.

Construction of the project was delayed due to project impacts on the Los Angeles Department of Water and Power (LADWP) Harbor Steam Generating Plant in Wilmington. In January 2007, LADWP withdrew their support for the project and requested the Harbor Department to evaluate a new alignment along Marine Avenue to avoid impacts to the power plant. Staff began preliminary design work on a revised grade separation alignment that would require the removal of the existing LADWP fuel oil tanks utilized by Valero. Discussions and negotiations with LADWP and Valero did not result in a resolution of the tank removals in a timely manner. As a result, a new grade separation alignment that is not dependent on the removal of LADWP's tanks was developed. In 2009, staff identified the Lagoon Avenue alignment as the best solution for the proposed South Wilmington Grade Separation.

Project Scope of Work – The scope of the SWGS Project includes construction of a grade separation structure linking Harry Bridges Boulevard, Pier A Street, and Fries Avenue with a proposed new entrance to the TraPac Terminal (Transmittal 2). The project will carry vehicular traffic over the Pier A Street Rail Yard entrance track. The structure will consist of 2,300 lineal feet of prestressed, cast-in-place concrete box girders on seven-foot diameter concrete columns, built on footings supported by 24-inch diameter precast/prestressed concrete piles. The SWGS Project will be constructed on streets and backland areas that have a large number of petroleum, gas, and other underground lines that have been or will be relocated by their owners where necessary.

The SWGS Project is partially state-funded under Proposition 1B, State Trade Corridor Improvement Funds through the State of California Department of Transportation (\$17,000,000), and Prop C under the Los Angeles County Metropolitan Transportation Authority (\$19,288,000). On November 1, 2012, the Board approved the construction contract to MCM Construction Inc. for the SWGS Project. Construction is anticipated to start in January 2013 and estimated to be completed by March 2015. On November 21,

**SUBJECT: LEVEL III CDP FOR THE SWGS PROJECT**

2012, the public notice for the consideration of the Level III Coastal Development Permit for the SWGS Project was published (Transmittal 3).

Coastal Permit Requirements – The proposed project, which is located in Master Planning Area 5, is a Level III, non-appealable project in accordance with the definitions set forth in the *Guidelines for Implementation of the Port of Los Angeles Certified Port Master Plan*. A Level III permit is one of three levels of permits that the Board can issue. Level III permits are required for developments that involve large capital expenditures, have a risk of substantial adverse environmental impacts that can be mitigated, involve the potential for unavoidable adverse impacts that cannot be mitigated, or result in major changes in land and/or water uses.

The proposed project has been found to be consistent with the Port Master Plan as the proposed development is for roadway and terminal access improvements, which is an allowable use in Master Planning Area 5. The proposed project has been found to be consistent with Chapter 8 policies of the California Coastal Act of 1976, as amended, specifically, Section 30708 that requires port-related development give the highest priority to the use of existing land space within harbors for port purposes.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the issuance of a Level III CDP for construction of the SWGS Project. As an activity specifically exempted from the requirements of the California Environmental Quality Act (CEQA) by State Law (Section 21080.13 of PRC, railroad grade separation project which eliminates an existing grade crossing), the Director of Environmental Management had determined that the proposed action is exempt from the requirements of CEQA in accordance with Article II Section 2 (h) of the Los Angeles City CEQA Guidelines.

**ECONOMIC BENEFITS:**

Approval of the proposed CDP No. 12-13 will have no employment impact. The SWGS Project associated with this CDP is anticipated to support 437 direct one-year equivalent construction jobs for the five-county region.

**FINANCIAL IMPACT:**

Approval of the proposed Level III, non-appealable coastal development permit would allow for implementation of the SWGS Project. Award of the capital construction contract was brought before the Board on November 1, 2012; the current estimated capital cost is approximately \$55,707,438 through March 2015. Conformance to the Harbor Department's Board adopted rate of return policy ensures that its investments in land and improvements are appropriately recovered. The project is partially state-

SUBJECT: LEVEL III CDP FOR THE SWGS PROJECT

funded under the Proposition 1B, State Trade Corridor Improvements Fund through the State of California Department of Transportation, in the amount of \$17,000,000 and funded through the Los Angeles County Metropolitan Transportation Authority under Prop C in the amount of \$19,288,000. The remaining \$19,419,438 is funded by the Harbor Department. Operating and maintenance costs are currently estimated at \$40,000 per year.

**CITY ATTORNEY:**

The Office of the City Attorney has reviewed this Board report and has determined it raises no legal issues at this time

**TRANSMITTALS:**


1. Site Map
2. CDP No. 12-13
3. Public Notice

FIS Approval: WR (initials)  
CA Approval: JKL (initials)

  
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APPROVED:

  
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