



SOCIOECONOMICS AND ENVIRONMENTAL QUALITY

7.1 Introduction

The socioeconomic character of the local area in the vicinity of the Port and the larger Southern California region is described using information regarding employment and earnings, population, and housing resources. The description of environmental quality in the vicinity of the Port presents information regarding community redevelopment activities, planning and zoning actions taken by the City of Los Angeles in general and the Port specifically, and other physical, social, and economic factors contributing to community perceptions of environmental quality, such as, truck use of neighborhoods and cargo container storage in or near neighborhoods. As discussed in this chapter, net changes in employment attributable to terminal operations under proposed Project conditions could reach 5,433 jobs annually over No Project conditions by the year 2038. While when these proposed Project-induced effects are compared to regional employment levels, their contribution accounts for less than 0.1 of 1 percent of regional employment, these jobs are likely to be relatively well paying and provide substitutes for jobs being consistently lost from the manufacturing sector.

7.2 Environmental Setting

The environmental setting includes existing or baseline conditions and describes attributes of the human and built environment (including infrastructure) in the vicinity of the Port and within the larger region of Southern California. For the purposes of this analysis and as used in this section, Southern California refers to a five-county region that includes the counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura (i.e., Imperial and San Diego counties are excluded).

1 **7.2.1 Socioeconomics**

2 Socioeconomics encompasses a number of topical areas including employment and
3 income, population, and housing. Within each of these areas, sub-topics are addressed.
4 These include an examination of conditions at different geographical scales that have
5 relevance to the potential impacts associated with implementation of the proposed
6 Project.

7 **7.2.1.1 Employment and Income**

8 Existing conditions with regard to employment and income are described from a
9 number of perspectives. They include the following:

- 10 • Conditions at the regional level (the five county region within Southern
11 California as identified above). This region represents the area in which the bulk
12 of the economic activity stimulated by the Port occurs and for which modeling is
13 appropriate.
- 14 • The contribution to the regional economy made by international trade;
- 15 • The importance of the “logistics” sector of the economy;
- 16 • The role of the Port; and
- 17 • Conditions at the county and local level, (small geographical areas in the vicinity
18 of the Port, including Wilmington, San Pedro, Carson and Harbor City.).

19 **Southern California**

20 Between 1990 and 2004 employment in Southern California increased by more than
21 one million jobs at an average annual rate of one percent (see Figure 7.2-1).
22 Examination of the information presented in Table 7.2-1 illustrates the manner in
23 which this growth varied geographically. The greatest increase in employment over
24 the period (over 290,000 jobs) took place in Riverside County where employment
25 grew at an annual average rate of 3.3 percent (37 percent over the period). San
26 Bernardino County experienced the next greatest increase in employment (over
27 243,000 jobs) for a 29 percent increase. Los Angeles County saw employment
28 increase by over 234,000, which when compared to the base of almost 4,600,000 jobs
29 in 1990, registered a modest 5.2 percent increase over the 14-year period.

30 Based on projections prepared by the Southern California Association of Governments
31 (SCAG), employment in Southern California will continue to expand, especially in
32 Riverside and San Bernardino counties (see Table 7.2-2). These two counties are
33 anticipated to experience growth rates of two and three times those of Los Angeles,
34 Orange, and Ventura counties. Of the selected cities in Los Angeles County for which
35 information is presented in Table 7.2-2, those of Torrance and Long Beach especially are
36 expected to see their employment base expand more rapidly than that of the county.
37 Unemployment levels in the counties of Southern California have mirrored closely the
38 cyclical pattern of that of the State of California (see Figure 7.2-2). Unemployment fell
39 throughout the 1980s (to below 6 percent) but rose steeply in the early 1990s. This rise

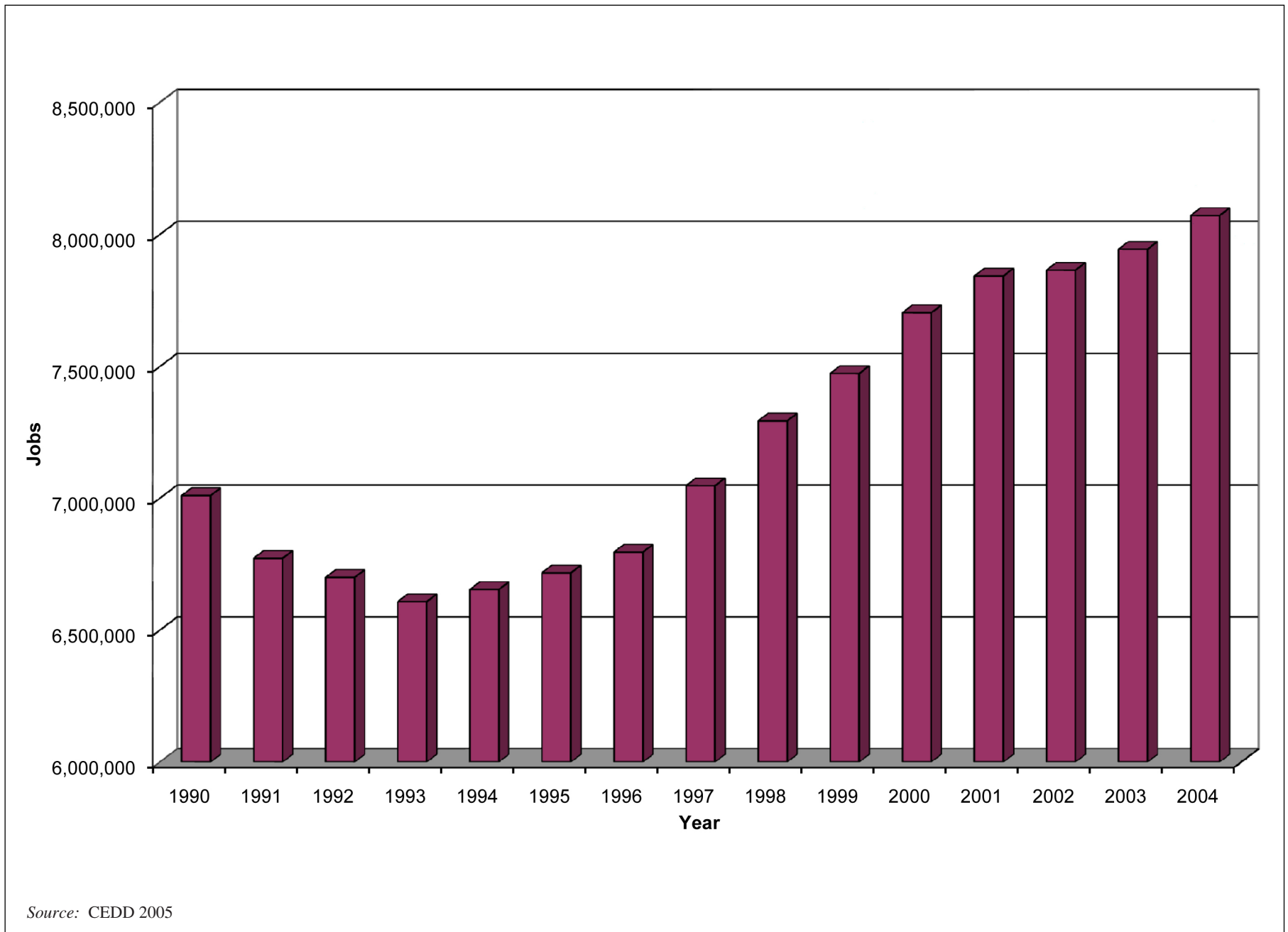


Figure 7.2-1. Employment in 5-County Southern California Region (1990-2004)

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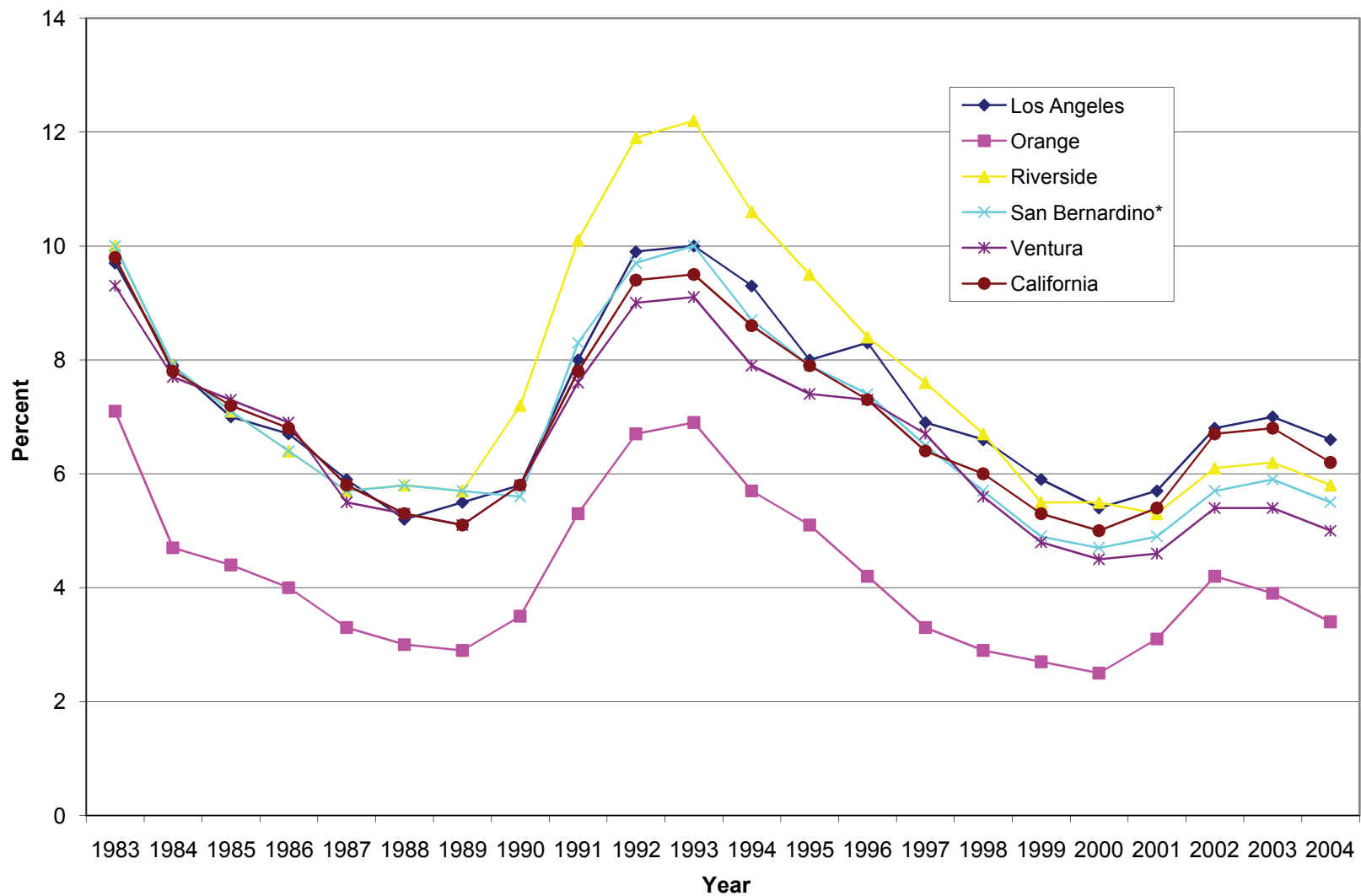
Table 7.2-1. Total Farm and Nonfarm Employment by County (1990-2004)

Year	County					SOUTHERN CALIFORNIA
	LOS ANGELES	ORANGE	RIVERSIDE	SAN BERNARDINO	VENTURA	
1990	4,149,500	1,179,000	321,700	413,400	247,000	6,310,600
1991	3,992,600	1,150,800	322,700	418,900	246,000	6,131,000
1992	3,813,600	1,133,200	325,800	425,700	244,100	5,942,400
1993	3,716,800	1,122,700	332,000	423,800	245,000	5,840,300
1994	3,710,400	1,133,800	341,500	431,300	251,100	5,868,100
1995	3,754,500	1,158,000	355,300	446,400	254,300	5,968,500
1996	3,795,700	1,191,000	366,300	458,500	255,300	6,066,800
1997	3,872,000	1,240,700	388,400	474,800	260,000	6,235,900
1998	3,951,200	1,305,700	412,200	491,600	270,000	6,430,700
1999	4,010,200	1,352,200	441,600	518,700	281,100	6,603,800
2000	4,079,800	1,396,500	466,500	543,600	294,300	6,780,700
2001	4,082,000	1,420,800	484,300	566,400	299,000	6,852,500
2002	4,034,600	1,411,000	508,900	575,100	301,000	6,830,600
Baseline Year 2003	3,990,800	1,436,200	529,600	589,900	304,400	6,850,900
2004	3,999,700	1,466,900	554,800	613,700	305,700	6,940,800
Change (1990-2004):						
Number	-149,800	287,900	233,100	200,300	58,700	630,200
Percent	-3.61	24.42	72.46	48.45	23.77	9.99
Average Annual Percent	-0.26	1.57	3.97	2.86	1.53	0.68
<i>Source: CEDD 2005</i>						

1 **Table 7.2-2. Employment Projections (2005-2038)**

	2005	2010	2015	2020	2025	2030	2038	CHANGE (2005-2038)		
								Numeric	Percent	Average Annual Percent
Southern California (5-County Region)	7,703,946	8,652,468	9,113,530	9,566,212	9,998,496	10,416,130	10,775,064	3,071,118	39.86%	1.02%
County										
Los Angeles County	4,503,683	5,022,215	5,198,739	5,366,865	5,520,139	5,660,992	5,718,998	1,215,315	26.98%	0.73%
Orange County	1,580,855	1,749,985	1,801,602	1,848,135	1,887,542	1,921,806	1,938,340	357,485	22.61%	0.62%
Riverside County	603,610	727,711	839,698	954,499	1,070,761	1,188,976	1,347,195	743,585	123.19%	2.46%
San Bernardino County	669,028	770,877	870,491	972,243	1,074,861	1,178,890	1,269,349	600,321	89.73%	1.96%
Ventura County	346,770	381,680	403,000	424,470	445,193	465,466	501,182	154,412	44.53%	1.12%
City										
Los Angeles city	1,800,766	1,994,358	2,057,435	2,117,623	2,172,642	2,223,338	2,246,120	445,354	24.73%	0.67%
Carson city	59,739	68,552	70,482	72,302	73,932	75,398	76,171	16,432	27.51%	0.74%
Palos Verdes Estates city	1,276	1,282	1,286	1,290	1,294	1,298	1,311	35	2.77%	0.08%
Rancho Palos Verdes city	4,296	4,807	4,933	5,055	5,162	5,259	5,313	1,017	23.67%	0.65%
Redondo Beach city	24,916	27,506	28,325	29,095	29,784	30,404	30,716	5,800	23.28%	0.64%
Rolling Hills city	282	310	321	331	340	349	353	71	25.03%	0.68%
Rolling Hills Estates city	4,719	4,793	4,930	5,060	5,175	5,278	5,332	613	12.99%	0.37%
Torrance city	87,777	108,889	111,523	114,009	116,228	118,230	119,441	31,664	36.07%	0.94%
Lakewood city	14,690	15,794	16,509	17,195	17,829	18,423	18,612	3,922	26.70%	0.72%
Long Beach city	192,568	213,998	222,549	230,774	238,440	245,647	248,164	55,596	28.87%	0.77%
Signal Hill city	11,373	12,255	13,770	15,211	16,524	17,728	17,910	6,537	57.48%	1.39%
<i>Source: SCAG 2005 Extrapolation to 2038 by SAIC and DOF 2004</i>										

2



Source: LAEDC 2005

Figure 7.2-2. Unemployment Rate for State and Counties (1983-2004)

1 was associated with the reduction in military spending (especially in the aerospace
 2 industry) at the end of the Cold War. Rates peaked in 1993 and then fell gradually
 3 throughout the remaining 1990s with the rebound of the economy buoyed by the
 4 dot.com surge in activity and residential construction boom. Following the
 5 exuberance of this period, unemployment rates rose for a few years before moving
 6 downwards again. Throughout these cycles, unemployment rates in Orange County
 7 were consistently lower than those in the other counties of Southern California as
 8 well as the state (see Table 7.2-3).

Table 7.2-3. Unemployment Rate (%) by County (1990-2004)

Year	County					CALIFORNIA
	LOS ANGELES	ORANGE	RIVERSIDE	SAN BERNARDINO	VENTURA	
1990	5.8	3.5	7.2	5.6	5.8	5.8
1991	8.0	5.3	10.1	8.3	7.6	7.8
1992	9.9	6.7	11.9	9.7	9.0	9.4
1993	10.0	6.9	12.2	10.0	9.1	9.5
1994	9.3	5.7	10.6	8.7	7.9	8.6
1995	8.0	5.1	9.5	7.9	7.4	7.9
1996	8.3	4.2	8.4	7.4	7.3	7.3
1997	6.9	3.3	7.6	6.5	6.7	6.4
1998	6.6	2.9	6.7	5.7	5.6	6.0
1999	5.9	2.7	5.5	4.9	4.8	5.3
2000	5.4	2.5	5.5	4.7	4.5	5.0
2001	5.7	3.1	5.3	4.9	4.6	5.4
2002	6.8	4.2	6.1	5.7	5.4	6.7
2003	7.0	3.9	6.2	5.9	5.4	6.8
2004	6.6	3.4	5.8	5.5	5.0	6.2

Source: CEDD 2005

9 The number of full- and part-time jobs in Los Angeles County over the period 1980 –
 10 2000 increased by over 1.1 million or almost 27 percent (see Table 7.2-4). However,
 11 the number of jobs in the manufacturing sector of the economy declined by 275,000
 12 or almost 30 percent. In the decade of the 1980s, the decline in manufacturing jobs
 13 numbered about 53,000 jobs (5.7 percent) while in the 1990s the loss increased to
 14 over 220,000 jobs (25 percent). This decline was more than offset by substantial
 15 increase in jobs in other sectors of the economy. This was especially true for the
 16 services sector which saw an increase in employment of over 934,000 jobs (80
 17 percent) between 1980 and 2000.

18 Research conducted by SCAG (June 2004) demonstrates that the average per capita
 19 income and average payroll per job in the five counties of Southern California have
 20 declined significantly over the last 10 to 15 years when compared to other
 21 metropolitan areas in the nation. This deterioration began noticeably with the severe

Table 7.2-4. Total Farm and Nonfarm Employment for Los Angeles County, California (1990-2004)

<i>Industry Group</i>	<i>1990</i>	<i>1995</i>	<i>2000</i>	<i>2004</i>	CHANGE (1990-2004)		
					<i>Number</i>	<i>Percent</i>	<i>Avg. Ann. %</i>
Total, All Industries	4,149,500	3,754,500	4,079,800	3,999,700	-149,800	-3.61%	-0.26%
Total Farm	13,700	8,000	7,700	7,600	-6,100	-44.53%	-4.12%
Total Nonfarm	4,135,700	3,746,600	4,072,100	3,992,200	-143,500	-3.47%	-0.25%
Natural Resources and Mining	8,200	4,100	3,400	3,900	-4,300	-52.44%	-5.17%
Construction	145,100	113,100	131,700	139,400	-5,700	-3.93%	-0.29%
Manufacturing	811,600	626,200	611,300	484,200	-327,400	-40.34%	-3.62%
Trade, Transportation, and Utilities	794,700	718,800	784,800	780,200	-14,500	-1.82%	-0.13%
Information	186,200	190,400	242,600	208,100	21,900	11.76%	0.80%
Financial Activities	280,300	228,700	218,700	243,200	-37,100	-13.24%	-1.01%
Professional and Business Services	541,900	519,000	598,200	561,000	19,100	3.52%	0.25%
Educational and Health Services	384,700	371,000	416,200	467,700	83,000	21.58%	1.41%
Leisure and Hospitality	306,600	308,900	344,300	373,100	66,500	21.69%	1.41%
Other Services	136,700	130,900	139,700	144,800	8,100	5.93%	0.41%
Government	539,800	535,700	581,300	586,600	46,800	8.67%	0.60%
Federal Government	71,900	63,400	57,900	54,400	-17,500	-24.34%	-1.97%
State and Local Government	467,900	472,300	523,300	532,200	64,300	13.74%	0.92%
State Government	69,900	70,500	77,100	78,900	9,000	12.88%	0.87%
Local Government	398,100	401,800	446,200	453,300	55,200	13.87%	0.93%

Table 7.2-4. Total Farm and Nonfarm Employment for Los Angeles County, California (1990-2004) (continued)

<i>Industry Group</i>	<i>1990</i>	<i>1995</i>	<i>2000</i>	<i>2004</i>
Total, All Industries	100.00%	100.00%	100.00%	100.00%
Total Farm	0.33%	0.21%	0.19%	0.19%
Total Nonfarm	99.67%	99.79%	99.81%	99.81%
Natural Resources and Mining	0.20%	0.11%	0.08%	0.10%
Construction	3.50%	3.01%	3.23%	3.49%
Manufacturing	19.56%	16.68%	14.98%	12.11%
Trade, Transportation, and Utilities	19.15%	19.15%	19.24%	19.51%
Information	4.49%	5.07%	5.95%	5.20%
Financial Activities	6.76%	6.09%	5.36%	6.08%
Professional and Business Services	13.06%	13.82%	14.66%	14.03%
Educational and Health Services	9.27%	9.88%	10.20%	11.69%
Leisure and Hospitality	7.39%	8.23%	8.44%	9.33%
Other Services	3.29%	3.49%	3.42%	3.62%
Government	13.01%	14.27%	14.25%	14.67%
Federal Government	1.73%	1.69%	1.42%	1.36%
State and Local Government	11.28%	12.58%	12.83%	13.31%
State Government	1.68%	1.88%	1.89%	1.97%
Local Government	9.59%	10.70%	10.94%	11.33%

Source: California Employment Development Department 2005

1 economic dislocation experienced in the high-paying aerospace and defense
2 manufacturing sector in the early 1990s during the post Cold War recession.
3 Although the region recovered from the employment loss in succeeding years, the
4 quality (and salary) of the jobs created compared poorly with those lost.

5 Over the period 1990-2003, many of the lost jobs have been in well-paying sectors
6 such as manufacturing (aerospace, electronic instrument, computer and peripheral,
7 machinery, and fabricated metal) and Department of Defense and other federal
8 agencies. Although a significant number of well-paying jobs were added to the
9 regional economy over the same time period (arts/entertainment/recreation, wholesale
10 trade, transportation and warehousing, construction, local government, and health care),
11 the majority of new jobs were lower-paying in the services (office administrative,
12 employment, and food and drinking places) and local government education sectors.
13 The average annual wage level of the losing sectors was just over \$45,000, while that
14 of the gaining sectors was just over \$33,000, which is almost 27 percent lower.

15 **International Trade**

16 The international trade sector is one of the growth engines of Southern California and
17 employment in this sector over the period 1980 through 2003 has almost tripled,
18 growing at an average annual rate of 4.4 percent. Over the same time period, total
19 non-farm employment grew at an average annual rate of 1.3 percent. It is estimated
20 that approximately 475,000 jobs in Southern California are associated with
21 international trade.

22 The Los Angeles Customs District (LACD) includes the Port of Los Angeles, Port of
23 Long Beach, Port Hueneme, and Los Angeles International Airport. Of the total
24 value of imports entering the LACD, over 80 percent are transported by vessels. In
25 the case of China (ranked first as trading partner for imports), over 90 percent of
26 goods by value enter through the ports of Los Angeles and Long Beach. In the case
27 of Japan (second ranked origin of commodities), 83 percent enters through the ports
28 and for Taiwan (third ranked) the proportion is 75 percent. In the case of exports
29 leaving the LACD, lower proportions of commodities (by value) are shipped through
30 the ports with a greater share shipped by air. About 50 percent of goods (by value)
31 leave through ports. Combined, the Port of Los Angeles and the Port of Long Beach
32 rank as the third largest port complexes in the world after Hong Kong and Singapore.

33 **“Logistics” Sector of the Economy**

34 Freight movement is a system of related and integrated businesses comprised of
35 infrastructure, equipment, personnel, and information components. The purpose of this
36 system is to achieve the distribution of goods and commodities between origins and
37 destinations or suppliers and consumers within an increasingly global economy. The
38 system includes maritime vessels, trucks, railroads, aircraft, pipelines, warehouses and
39 terminals, all of which work collectively and cooperatively. A recent study conducted
40 for the New Jersey Department of Transportation demonstrated that employment
41 associated with freight movement in the state accounted for the direct employment of
42 over 484,000 workers, exceeding the number of jobs supported by manufacturing (New
43 Jersey Department of Transportation 2001).

1 According to a study sponsored by SCAG, a number of factors important to companies
2 have become especially costly in Southern California: workers compensation
3 insurance, electrical energy, and housing (Economics and Politics, Inc. 2004).

4 For companies that have considerable locational freedom, costs in Southern
5 California are not attractive to their remaining or expanding in the region. For many
6 companies, however, proximity to customers (the general population) and other
7 factors such as facilities (ports and airports) and skilled workforce (motion picture
8 industry) are of overriding importance. These industries include the services sector,
9 motion picture industry, and transportation and warehousing.

10 The logistics and distribution sector of the economy is comprised largely of industries
11 that are tied to port and airport functions. This sector involves the receiving, processing,
12 storing, and moving of goods and is comprised of the following industrial sectors:
13 wholesale trade; truck transportation; support services for transportation; non-local
14 couriers; general warehousing; and air, rail, and water transportation. This group of
15 industries has begun to provide large numbers of blue collar jobs that have traditionally
16 been found in manufacturing. They, thus, provide an alternative employment source to
17 replace well-paying manufacturing jobs that have left and continue to leave the region.

18 Between 1990 and 2003, the group of industries comprising the logistics sector was
19 one of the few non-population-related sectors (i.e., services) of the Southern California
20 economy that provided significant job growth. Additionally, the 2003 pay level in
21 logistics (\$45,314) exceeded that of manufacturing (\$43,871) and construction
22 (\$40,439).

23 For more than the last decade, the nation's manufacturers and retailers have adopted
24 "just-in-time" systems. This change in business practices has resulted in the distribution
25 industry creating a series of large goods-holding centers, including in Southern
26 California. Their location in Southern California is related to the fact that a high
27 proportion of the nation's trade with Asian economies passes through the Port of Los
28 Angeles and the Port of Long Beach. It is anticipated that the volume of this trade will
29 continue to increase, especially with the projected use of post-Panamax container ships.
30 These wide and deep-draft vessels can be accommodated on the West coast only at the
31 ports of Los Angeles, Long Beach, and Seattle-Tacoma.

32 The recent *Trade Impact Study* prepared for the Alameda Corridor Transportation
33 Authority and the Ports of Los Angeles and Long Beach (ACTA 2007) examined the
34 economic impacts of the trade that passes through the San Pedro ports, by state,
35 Congressional District, and for the nation. According to this study, state and local
36 taxes generated throughout the nation from this trade activity grew from an estimated
37 \$6 billion in 1994 to more than \$28 billion in 2005, of which \$6.7 billion was in
38 California. From the ports, nationwide, the trade volume was about \$256 billion, of
39 which \$62.5 billion was in California. From 1994 to 2005, the number of jobs
40 associated with the trade activity generated by the Port of Los Angeles and Port of
41 Long Beach tripled, going from 1.1 million jobs nationally in 1994 to 3.3 million jobs
42 in 2005. In 2005, about 886,000 jobs within California were related to Port industries
43 or Port users. This report included the economic contributions of the logistics
44 industries located at the Ports of Los Angeles and Long Beach as well as wholesalers,
45 distributors and retailers located off the Ports.

Port of Los Angeles

The Port of Los Angeles handled almost 7.3 million TEUs in fiscal year (FY) 2005, down slightly from FY 2004 but up considerably from 6.7 million in FY 2003. The top five containerized imports in 2004 were: furniture, apparel, toys and sporting goods, vehicles and vehicle parts, and electronic products. The top trading partners were China, Japan, Taiwan, Thailand, and South Korea. The top five containerized exports were wastepaper, synthetic resins, fabric (including raw cotton), animal feed, and metal scrap. Automobile shipments account for less than 2 percent of the value of the cargo that passes through the port. The total value of the cargo was \$225.8 billion in calendar year (CY) 2006. The Port of Los Angeles is one of the world's largest trade gateways, of which the economic contributions to the regional economy are substantial. The Port facilitates tens of billions of dollars in industry sales each year in the Southern California region. These sales translate into jobs, wages and salaries, and state and local taxes. It is estimated that the Port supports, directly and indirectly, 259,100 full- and part-time jobs in Southern California and 1,353,500 jobs nationwide. The employment translates into \$8.6 billion annually in regional wages and salaries and \$1.4 billion annually in state and local taxes. Of the regional direct, indirect and induced benefits connected to the Port, approximately 70 percent occur within Los Angeles County. The major ways in which the Port contributes to the local and regional economies is through the following activities: port industries, port users, and port customers.

Port industries are businesses involved in the moving and handling of maritime cargo. It is estimated that for every dollar spent by port industries, another 97 cents is generated in indirect sales in the region. Port industries account for approximately 16,360 direct jobs (85 percent of which are trucking and warehousing jobs).

Port users are the biggest contributors to the economy. Port users are businesses that use the Port to receive imports or ship exports. Export manufacturers are among the major port users while others include local manufacturers who process imported, unfinished goods. Port users generate approximately \$12.1 billion and stimulate an additional \$5.5 billion in local industry indirect sales. Local "re-spending" by workers employed by port users and the industries they impact amount to approximately \$4.1 billion. Each dollar of spending for port user goods and services produces about 79 cents of additional industry sales in the five-county region.

Port customers are the retail and other non-cargo businesses in the Port. They are most important to communities near the Port as a source of jobs, recreation and specialty consumer goods. Port customers contribute about \$760 million to the local economy.

Direct jobs associated with port customers numbered about 6,400 or roughly half of the jobs actually located in the Port. For every one of these port customer jobs, nearly 1.7 additional jobs are created elsewhere in the five-county region.

Geographical Distribution of Port Workers

There are two major groups of workers associated with Port Operations: longshoremen, truck drivers, and truck-owner-operators. In the case of longshoremen, information was received from the International Longshore and Warehouse Union (ILWU) and

Pacific Maritime Association (PMA) regarding the place of residence (by zip code area) for both registered and casual workers at the Port of Los Angeles and Port of Long Beach, combined. For truck drivers, information was received from a major regional trucking company that also serves both Ports.

The longshoremen database is comprised of over 7,500 registered employees and over 8,500 casual employees. Based on information reported by payroll, the longshoremen are distributed among over 575 five-digit zip code areas within Southern California. However, almost 70 percent of the registered employees reside in 18 zip code areas close to the Ports as described in Table 7.2-5. Employees are concentrated within the following communities: San Pedro (28 percent of registered and 21 percent of casual employees), Long Beach (10 percent of registered and 10 percent of casual employees), and Wilmington (10 percent of registered and 8 percent of casual employees).

Table 7.2-5. Geographical Distribution by Community of Longshoremen Working at the Ports of Los Angeles and Long Beach

<i>Community</i>	<i>ZIP Code Area</i>	<i>Active Registered Employees (% of Total)</i>	<i>Active Casuals Employees (% of Total)</i>
San Pedro	90731	19.4	14.9
Wilmington	90744	9.6	7.7
San Pedro	90732	8.8	5.9
Rancho Palos Verdes	90275	4.9	3.0
Carson	90745	4.9	4.8
Lomita	90717	2.7	1.8
Harbor City	90710	2.5	1.9
Long Beach	90808	2.0	1.6
Lakewood	90712	1.8	1.5
Long Beach	90805	1.7	2.2
Long Beach	90807	1.5	1.1
Lakewood	90713	1.5	1.2
Long Beach	90815	1.4	1.1
Carson	90746	1.4	1.5
Long Beach	90806	1.3	1.2
Long Beach	90810	1.3	1.7
Torrance	90501	1.1	1.5
Long Beach	90802	1.0	1.0
<i>Source: ILWU 2005</i>			

The database of truck drivers contains just over 900 records providing the zip code on file with payroll for each employee. The truck drivers are distributed among just over 270 five-digit zip code areas spread throughout Southern California. The communities containing the highest concentration of drivers are aligned for a corridor extending northwards from the area surrounding the Port to the central section of the City of Los Angeles. Communities with noticeable concentrations include Long Beach (4.9 percent of the total), San Pedro and Wilmington (3.4 percent), Bell (3.5 percent), Southgate (2.8

1 percent) and central Los Angeles (5.4 percent). There is also a concentration in the
2 communities of Calexico, El Centro, and San Ysidro in southern San Diego County.

3 **Occupation by Place of Residence**

4 Information regarding occupation (aggregated to industrial sectors similar to those
5 addressed above) is contained in the 2000 decennial census. The definition of the
6 categories varies somewhat from those presented earlier; however, these differences are
7 small. The occupational breakdown (for the employed civilian population 16 years of
8 age and over) is available for small geographical areas such as zip code areas as
9 presented in Table 7.2-6. The zip code areas selected are those in the immediate
10 vicinity of the Port for the communities of Wilmington, San Pedro, Harbor City, and
11 the cities of Torrance, Carson, and Long Beach.

12 The proportion engaged in manufacturing in 2000 for Los Angeles County was 14.8
13 percent and 13.2 percent for the City of Los Angeles. Four of the small areas
14 surrounding the Port had in excess of 20 percent of the employed persons working in
15 manufacturing. They were Wilmington, Carson, Harbor City, and part of the City of
16 Long Beach. All of the small areas have much higher proportions of their residents
17 employed in the transportation and warehousing sector of the economy than is the case
18 for Los Angeles County and the City of Los Angeles. Several of the areas, especially
19 Wilmington, San Pedro, Carson, and part of Long Beach, have proportions that are
20 twice or more those of the larger areas.

21 **Income**

22 The median household income reported in the 2000 Census in Los Angeles County was
23 just over \$42,000. Riverside and San Bernardino counties had very similar values
24 while the value for Orange County was \$58,800 and \$59,600 for Ventura County. By
25 comparison, the median household income for the City of Los Angeles was \$36,600
26 (see Table 7.2-7). Of total aggregate income, by far the largest proportion (between 69
27 and 77 percent) is contributed by wages and salary income at the county level.

28 Median family income varied between \$46,500 and \$65,300 across the five counties
29 and was \$39,900 for the City of Los Angeles. For the zip code areas in the vicinity
30 of the Port, values exhibited a wider range: between \$19,600 and \$73,500. The
31 median family income for Wilmington was \$30,800.

32 **7.2.1.2 Population**

33 The number of residents of the five counties of Southern California increased 3.1
34 million between 1990 and 2004 at an average annual rate of almost 1.4 percent. The
35 most rapid rate of change took place in Riverside County (3.2 percent annually) and
36 San Bernardino County (2.1 percent annually). While the largest numeric increase
37 occurred in Los Angeles County (1.2 million persons), the rate of change was the
38 least of the counties (1.0 percent annually) (see Table 7.2-8).

**Table 7.2-6. Occupational Breakdown by Place of Residence, 2000
(Employed civilian population 16 years and over)**

	<i>90501 Torrance</i>	<i>90502 Torrance</i>	<i>90710 Harbor City</i>	<i>90731 San Pedro</i>	<i>90732 San Pedro</i>	<i>90744 Wilming- ton</i>	<i>90745 Carson</i>	<i>90802 Long Beach</i>	<i>90806 Long Beach</i>	<i>90810 Long Beach</i>	<i>90813 Long Beach</i>
PERCENT BY OCCUPATION:											
Agriculture, forestry, fishing and hunting, and mining:	0.19%	0.23%	0.05%	0.58%	0.36%	0.63%	0.37%	0.31%	0.58%	0.68%	0.42%
Agriculture, forestry, fishing and hunting	0.10%	0.23%	0.05%	0.53%	0.36%	0.48%	0.17%	0.21%	0.10%	0.54%	0.18%
Mining	0.09%	0.00%	0.00%	0.05%	0.00%	0.15%	0.20%	0.09%	0.48%	0.14%	0.24%
Construction	5.98%	3.69%	3.86%	6.63%	4.22%	6.89%	3.45%	4.88%	4.73%	5.39%	8.79%
Manufacturing	16.69%	18.43%	20.31%	12.77%	12.95%	22.24%	22.16%	12.55%	15.29%	20.70%	19.10%
Wholesale trade	4.42%	5.69%	3.81%	4.07%	4.31%	6.16%	4.64%	4.00%	4.30%	5.55%	4.13%
Retail trade	13.00%	10.50%	10.75%	10.32%	8.56%	9.83%	12.23%	9.96%	10.60%	9.66%	9.96%
Transportation and warehousing, and utilities:	7.25%	7.03%	7.35%	11.33%	13.08%	8.47%	8.49%	6.11%	8.52%	9.27%	4.92%
Transportation and warehousing	6.88%	6.15%	6.88%	10.80%	12.71%	8.06%	8.14%	5.68%	7.71%	8.74%	4.63%
Utilities	0.38%	0.88%	0.47%	0.52%	0.36%	0.42%	0.35%	0.44%	0.80%	0.53%	0.29%
Information	2.17%	3.89%	2.08%	2.52%	3.00%	2.18%	2.58%	4.17%	2.98%	2.14%	1.70%
Finance, insurance, real estate and rental and leasing:	5.01%	6.85%	5.95%	5.28%	6.49%	3.44%	4.86%	5.45%	4.45%	3.78%	3.51%
Finance and insurance	3.06%	4.50%	3.99%	3.19%	4.51%	1.95%	3.23%	3.25%	2.98%	2.81%	1.55%
Real estate and rental and leasing	1.95%	2.35%	1.95%	2.09%	1.98%	1.49%	1.63%	2.20%	1.48%	0.97%	1.95%
Professional, scientific, management, administrative, and waste management services:	12.33%	7.59%	9.52%	9.36%	10.53%	8.83%	8.71%	11.14%	9.35%	8.28%	9.67%
Professional, scientific, and technical services	5.46%	4.23%	3.05%	4.10%	8.33%	1.70%	4.08%	5.13%	3.45%	2.48%	2.15%
Management of companies and enterprises	0.14%	0.09%	0.00%	0.00%	0.00%	0.08%	0.22%	0.10%	0.03%	0.05%	0.00%
Administrative and support and waste management services	6.72%	3.27%	6.47%	5.26%	2.20%	7.06%	4.41%	5.91%	5.86%	5.74%	7.52%

**Table 7.2-6. Occupational Breakdown by Place of Residence, 2000 (continued)
(Employed civilian population 16 years and over)**

	90501 <i>Torrance</i>	90502 <i>Torrance</i>	90710 <i>Harbor City</i>	90731 <i>San Pedro</i>	90732 <i>San Pedro</i>	90744 <i>Wilming- ton</i>	90745 <i>Carson</i>	90802 <i>Long Beach</i>	90806 <i>Long Beach</i>	90810 <i>Long Beach</i>	90813 <i>Long Beach</i>
PERCENT BY OCCUPATION:											
Educational, health and social services:	16.35%	18.39%	18.39%	18.38%	21.94%	12.42%	18.25%	20.97%	20.61%	19.07%	12.21%
Educational services	6.15%	7.53%	6.74%	8.70%	10.89%	5.37%	5.40%	9.05%	6.78%	5.51%	3.94%
Health care and social assistance	10.20%	10.87%	11.65%	9.68%	11.05%	7.05%	12.85%	11.92%	13.82%	13.57%	8.28%
Arts, entertainment, recreation, accommodation and food services:	8.70%	7.13%	7.94%	7.30%	5.18%	9.35%	6.63%	12.15%	8.64%	6.91%	14.52%
Arts, entertainment, and recreation	1.47%	1.77%	1.66%	2.06%	1.58%	1.12%	1.05%	2.79%	1.87%	1.38%	1.34%
Accommodation and food services	7.24%	5.36%	6.28%	5.24%	3.61%	8.23%	5.58%	9.36%	6.77%	5.53%	13.18%
Other services (except public administration)	5.13%	4.27%	6.11%	7.31%	4.93%	7.90%	4.78%	5.61%	6.09%	5.83%	9.06%
Public administration	2.78%	6.30%	3.89%	4.15%	4.45%	1.65%	2.85%	2.70%	3.88%	2.74%	2.01%
<i>Source: Census 2005a</i>											

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Table 7.2-7. Household and Family Income by Source of Income

	<i>Los Angeles County</i>	<i>Orange County</i>	<i>Riverside County</i>	<i>San Bernardino County</i>	<i>Ventura County</i>	<i>City of Los Angeles</i>					
Median household income in 1999	42,189	58,820	42,887	42,066	59,666	36,687					
Median family income in 1999	46,452	64,611	48,409	46,574	65,285	39,942					
Per capita income in 1999	20,683	25,826	18,689	16,856	24,600	20,671					
Contribution to total aggregate income from:											
Wage or salary income	74.39%	76.05%	69.25%	76.90%	74.67%	72.76%					
Self-employment income	8.28%	7.76%	6.89%	6.03%	8.20%	9.60%					
Interest, dividends, or net rental income	7.22%	7.48%	8.24%	4.15%	6.92%	8.00%					
Social Security	3.54%	3.16%	6.10%	4.55%	3.54%	3.40%					
Supplemental Security Income	0.65%	0.33%	0.59%	0.74%	0.35%	0.72%					
Public assistance income	0.51%	0.16%	0.36%	0.60%	0.16%	0.56%					
Retirement income	3.70%	3.59%	6.15%	4.96%	4.55%	3.24%					
Other types of income	1.72%	1.47%	2.44%	2.07%	1.62%	1.73%					
	<i>90501 Torrance</i>	<i>90502 Torrance</i>	<i>90710 Harbor City</i>	<i>90731 San Pedro</i>	<i>90732 San Pedro</i>	<i>90744 Wilming-ton</i>	<i>90745 Carson</i>	<i>90802 Long Beach</i>	<i>90806 Long Beach</i>	<i>90810 Long Beach</i>	<i>90813 Long Beach</i>
Median household income in 1999	42,117	48,601	42,299	35,910	63,614	30,259	50,610	25,860	31,488	36,966	20,015
Median family income in 1999	47,076	51,829	45,854	39,057	73,461	30,800	53,218	26,865	31,050	40,119	19,594
Per capita income in 1999	18,784	19,749	18,425	18,043	30,842	11,600	15,665	17,668	13,412	12,848	7,567
Contribution to total aggregate income from:											
Wage or salary income	78.37%	79.86%	76.84%	76.90%	73.53%	80.88%	80.63%	79.94%	79.18%	77.52%	76.56%
Self-employment income	7.48%	5.51%	6.81%	6.65%	5.58%	4.90%	3.26%	5.03%	4.79%	2.54%	3.95%
Interest, dividends, or net rental income	4.32%	3.08%	4.43%	4.41%	7.92%	2.76%	3.07%	3.53%	3.92%	3.48%	1.75%
Social Security	3.51%	3.84%	4.54%	4.09%	4.75%	4.31%	4.43%	3.85%	2.95%	4.64%	3.34%
Supplemental Security Income	0.69%	0.55%	0.74%	0.67%	0.33%	0.77%	1.09%	1.49%	1.24%	1.09%	3.00%
Public assistance income	0.50%	0.34%	0.42%	0.81%	0.07%	1.20%	0.44%	0.98%	1.98%	1.03%	4.65%
Retirement income	3.79%	5.55%	4.69%	4.35%	6.32%	3.04%	5.09%	3.31%	3.93%	7.42%	2.77%
Other types of income	1.33%	1.28%	1.53%	2.12%	1.50%	2.14%	1.99%	1.87%	2.00%	2.26%	3.99%

Source: Census 2005b

1

Table 7.2-8. Population by Region, County, Place and Community Plan Area (1990-2005)

	<i>4/1/1990 (Census)</i>	<i>4/1/2000 (Census)</i>	<i>1/1/2005 (Estimate)</i>	<i>Numeric</i>	<i>Percent</i>	<i>Average Annual Percent</i>
Southern California (5-County Region)	14,531,529	16,373,645	17,919,625	3,388,096	23.32%	1.41%
Los Angeles County	8,863,052	9,519,338	10,226,506	1,363,454	15.38%	0.96%
Orange County	2,410,668	2,846,289	3,056,865	646,197	26.81%	1.60%
Riverside County	1,170,413	1,545,387	1,877,000	706,587	60.37%	3.20%
San Bernardino County	1,418,380	1,709,434	1,946,202	527,822	37.21%	2.13%
Ventura County	669,016	753,197	813,052	144,036	21.53%	1.31%
City of Los Angeles	3,485,398	3,694,820	3,957,875	472,477	13.56%	0.85%
Harbor Area Planning Commission	182,054	193,168	192,912	10,858	5.96%	0.45%
Community Plan Area:						
Harbor Gateway	36,011	39,685	39,738	3,727	10.35%	0.76%
Port of Los Angeles	1,785	1,804	1,844	59	3.31%	0.25%
San Pedro	74,175	76,173	76,756	2,581	3.48%	0.26%
Wilmington-Harbor City	70,083	75,506	74,574	4,491	6.41%	0.48%
Incorporated Cities:						
Carson	83,995	89,730	98,329	14,334	17.07%	1.06%
Lakewood	73,553	79,345	83,674	10,121	13.76%	0.86%
Long Beach	429,321	461,522	491,564	62,243	14.50%	0.91%
Palos Verdes Estates	13,512	13,340	14,208	696	5.15%	0.34%
Rancho Palos Verdes	41,667	41,145	43,525	1,858	4.46%	0.29%
Redondo Beach	60,167	63,261	67,325	7,158	11.90%	0.75%
Rolling Hills	1,871	1,871	1,983	112	5.99%	0.39%
Rolling Hills Estates	7,789	7,676	8,191	402	5.16%	0.34%
Signal Hill	8,371	9,333	10,951	2,580	30.82%	1.81%
Torrance	133,107	137,946	147,405	14,298	10.74%	0.68%
<i>Source: DOF 2005; LADCP 2005</i>						

2

1 The population of the City of Los Angeles increased over the same time period but at a
2 substantially slower pace. The number of residents increased by over 428,000 at an
3 average annual rate of 0.8 percent. A number of the cities in the South Bay section of
4 Southern California saw population increase at rates greater than for the City of Los
5 Angeles: Signal Hill (1.7 percent annually); Carson (1.0 percent annually); Lakewood
6 and Long Beach (0.9 percent annually). The community plan areas in the vicinity of the
7 Port experienced only modest population gains.

8 Population projections prepared by SCAG forecast a compound rate of growth over
9 the 25-year period between 2005 and 2030 of just less than 1 percent annually for
10 Southern California. The region is projected to add almost 4.7 million residents over
11 the period. The highest growth rates are projected for Riverside and San Bernardino
12 counties. The population of the City of Los Angeles is projected to increase by
13 almost 360,000 residents at an annual average rate of 0.4 percent (see Table 7.2-9)

14 **7.2.1.3 Housing**

15 Aspects of housing described below include construction trends, characteristics of the
16 existing housing stock, and trends in housing prices.

17 **Housing Construction**

18 Housing construction typically exhibits a cyclical pattern in response to local, regional,
19 and national economic conditions. In the case of Southern California, residential
20 construction experienced periods of expansion between 1967 and 1972, 1975 and 1977,
21 1982 and 1986, and 1995 to the current with periods of decline in between. The
22 decline in activity from 1986 through 1993 was in response to the economic dislocation
23 associated with reductions in military defense spending and base closures. From a
24 level of over 133,000 units authorized for construction in 1988, the number fell to just
25 over 28,000 in 1993 (see Figure 7.2-3). By 2004, the number of units authorized for
26 construction had reached almost 90,000

27 Over the 38-year period from 1967 to 2004, almost 2.8 million housing units were
28 permitted for construction in Southern California. Of these units, the majority were
29 constructed in Los Angeles County (39.4 percent of the regional total), followed by
30 Orange County (with 22.6 percent of the total) and Riverside County (with 17.7
31 percent of the total).

32 The contribution made to the new housing constructed in Southern California by each
33 of the individual counties has changed noticeably over time as can be seen from the
34 information presented in Figure 7.2-4. At the start of the reporting period, Los Angeles
35 County contributed over 50 percent of all new residential construction in Southern
36 California. However, this share declined to less than 30 percent by the end of the
37 reporting period. In contrast, the Riverside County share increased over the 38-year
38 period from about 5 percent to almost 40 percent. Likewise, the San Bernardino
39 County contribution rose from around 6 percent to about 20 percent.

Table 7.2-9. Population Projections for Region, County and Place (2005-2038)

	2005	2010	2015	2020	2025	2030	2038	CHANGE (2005-2038)		
								Numeric	Percent	Average Annual Percent
Southern California (5-County Region)	17,952,172	19,019,636	19,981,038	20,906,661	21,784,645	22,620,923	23,479,160	5,526,988	30.79%	0.82%
County										
Los Angeles County	10,258,304	10,718,007	11,113,772	11,501,884	11,870,934	12,221,799	12,347,031	2,088,727	20.36%	0.56%
Orange County	3,103,377	3,291,628	3,369,745	3,433,609	3,494,394	3,552,742	3,583,307	479,930	15.46%	0.44%
Riverside County	1,850,231	2,085,432	2,370,526	2,644,278	2,900,563	3,143,468	3,561,774	1,711,543	92.50%	2.00%
San Bernardino County	1,919,215	2,059,420	2,229,700	2,397,709	2,558,729	2,713,149	2,921,336	1,002,121	52.22%	1.28%
Ventura County	821,045	865,149	897,295	929,181	960,025	989,765	1,065,712	244,667	29.80%	0.79%
City										
Los Angeles	3,950,347	4,090,125	4,147,285	4,203,702	4,257,771	4,309,625	4,353,784	403,437	10.21%	0.30%
Carson	95,856	97,532	100,628	103,678	106,604	109,412	110,533	14,677	15.31%	0.43%
Palos Verdes Estates	13,955	13,997	14,029	14,058	14,088	14,116	14,261	306	2.19%	0.07%
Rancho Palos Verdes	43,171	43,761	44,662	45,548	46,399	47,217	47,701	4,530	10.49%	0.30%
Redondo Beach	67,510	69,076	71,950	74,783	77,501	80,107	80,928	13,418	19.88%	0.55%
Rolling Hills	1,946	1,958	2,016	2,074	2,129	2,182	2,204	258	13.28%	0.38%
Rolling Hills Estates	8,081	8,131	8,162	8,192	8,221	8,248	8,333	252	3.11%	0.09%
Torrance	144,683	145,129	148,227	151,286	154,215	157,029	158,638	13,955	9.65%	0.28%
Lakewood	82,872	83,747	84,419	85,083	85,719	86,325	87,210	4,338	5.23%	0.15%
Long Beach	489,528	503,450	518,627	533,590	547,937	561,694	567,449	77,921	15.92%	0.45%
Signal Hill	10,388	10,558	11,415	12,260	13,070	13,847	13,989	3,601	34.66%	0.91%
<i>Source: SCAG 2005</i>										

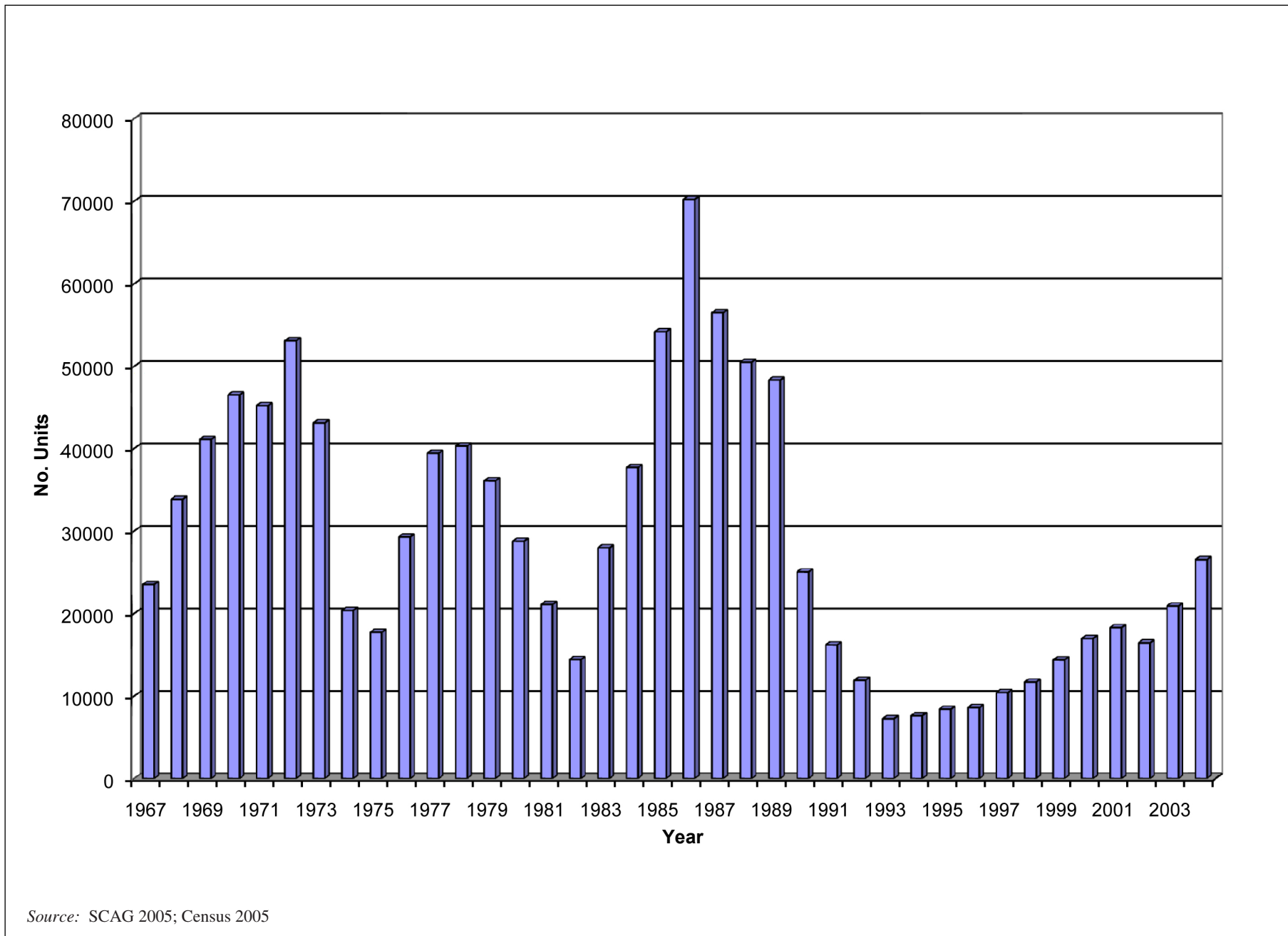
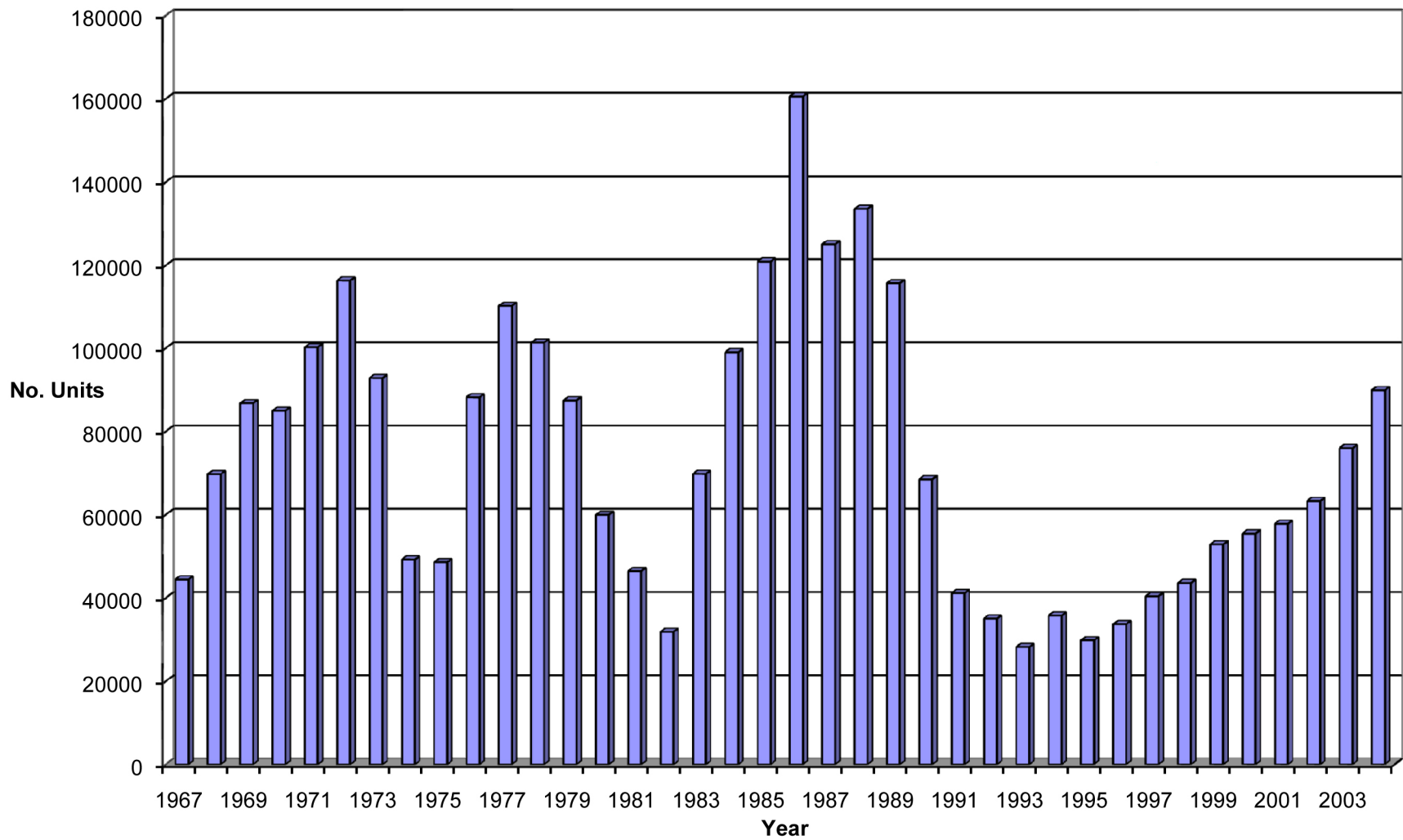


Figure 7.2-3. Housing Units Permitted in Los Angeles County (1967-2004)



Source: SCAG 2005; Census 2005

Figure 7.2-4. Housing Units Permitted in 5-County Southern California Region (1967-2004)

1 **Housing Characteristics**

2 In Los Angeles County the proportion of owner-occupied housing units in 2000 was
3 almost 48 percent (52 percent was renter-occupied). For the City of Los Angeles, the
4 corresponding shares were 39 percent and 61 percent, respectively. Within the zip
5 code areas in the vicinity of the Port, the percentage of owner-occupied housing units
6 varies from high values for western San Pedro and Carson to low values for
7 Wilmington, and areas of Long Beach (see Table 7.2-10).

8 There are a number of similarities in the characteristics of the housing units and their
9 occupants between Wilmington and San Pedro. The proportion of renters is high (61
10 percent for Wilmington and 68 percent for San Pedro). There are relatively few
11 apartment buildings containing 10 or more units. The median age of the housing is 1961
12 and 1960, respectively. Home owners are well-established, having resided in the same
13 house since 1985 in Wilmington and 1988 in the case of San Pedro. The housing quality
14 is somewhat lower in Wilmington based on a comparison of the proportion of housing
15 units lacking adequate plumbing and kitchen facilities (see Table 7.2-10).

16 **Housing Price**

17 Over the period 1990–2003, the median home price (for existing homes) in Los
18 Angeles County increased from \$251,000 to \$375,700, which is a rise of just over 49
19 percent at an average annual rate of 3.1 percent. Median prices in the other four
20 counties of Southern California also rose: 4.1 percent in Orange County; 3.9 percent
21 annually in Ventura County; 3.8 percent in Riverside County; and 3.4 percent in San
22 Bernardino County. This rate of increase in home prices, however, did not take place
23 uniformly over the time period. Economies, regional as well as national, experience
24 cycles of growth: positive, neutral, and negative. Over the 5-year period 1990–1995,
25 each of the Southern California counties experienced negative change in home
26 values. The greatest decline took place in Los Angeles County where median home
27 values fell by 12.5 percent (2.6 percent annually). Over the 1995-2000 time period,
28 prices increased at rates exceeding 7 percent annually (with the exception of Los
29 Angeles County). Over the period 2000-2003, annual growth rates exceeded 10
30 percent annually in all counties. The trends in prices of new homes mirrored closely
31 those for existing homes (see Table 7.2-11).

32 Median home prices at the community level also increased at high rates as can be
33 seen from the information presented in Table 7.2-12. For the period 1997-2002,
34 average annual growth rates in excess of 10 percent were experienced in a number of
35 communities in the South Bay area of Los Angeles County: Wilmington, San Pedro,
36 Carson, Hawthorne, Hermosa Beach, Lawndale, and Lomita. Home prices increased in
37 all communities regardless of the level of the price at the beginning of the period.
38 However, not surprisingly, those communities with the highest growth rates were
39 communities with among the lowest home prices. Median home prices in Wilmington
40 increased from \$103,500 in 1997 to \$196,000 in 2002 (at an average annual rate of 13.6
41 percent) and those in San Pedro rose from \$164,000 to \$320,000 over the same time
42 period (at an average annual rate of 14.3 percent). Median single family residence sales
43 prices over the period 1993-2004 for homes located in the zip code areas in the
44 immediate vicinity of the Port rose on average between 8 and 9 percent annually. The

1

Table 7.2-10. Housing Characteristics in 2000

	Los Angeles County	City of Los Angeles	ZIP CODE AREA										
			90501 Torrance	90502 Torrance	90710 Harbor City	90731 San Pedro	90732 San Pedro	90744 Wilming-ton	90745 Carson	90802 Long Beach	90806 Long Beach	90810 Long Beach	90813 Long Beach
Total Housing Units	3,270,909	1,337,668	14,367	5,801	8,603	22,522	9,501	14,600	15,145	20,442	15,528	9,518	17,745
Total Occupied housing units	3,133,774	1,275,358	13,810	5,593	8,351	21,370	8,746	13,954	14,671	18,838	14,575	9,140	16,436
Percent Owner-Occupied	47.86%	38.56%	42.76%	69.41%	55.53%	31.86%	73.16%	38.79%	74.02%	19.52%	36.83%	56.73%	12.36%
Percent Renter-Occupied	52.14%	61.44%	57.24%	30.59%	44.47%	68.14%	26.84%	61.21%	25.98%	80.48%	63.17%	43.27%	87.64%
Vacancy Rate	4.38%	4.89%	4.03%	3.72%	3.02%	5.39%	8.63%	4.63%	3.23%	8.51%	6.54%	4.14%	7.96%
Median number of rooms per unit	4.2	3.7	4.0	4.4	4.2	3.9	5.1	3.3	4.7	2.8	3.6	4.1	2.8
Number of Units in Structure													
Percent single detached units	48.72%	39.23%	47.52%	52.58%	43.15%	34.95%	52.80%	43.25%	63.61%	4.33%	36.86%	64.69%	16.53%
Percent single attached units	7.39%	6.56%	8.25%	14.46%	6.88%	8.85%	16.82%	9.01%	12.12%	2.21%	9.12%	6.79%	6.16%
Percent 2 units	2.74%	3.20%	2.74%	0.53%	1.69%	5.70%	0.43%	3.35%	1.33%	2.74%	5.84%	2.51%	6.62%
Percent 3 or 4 units	6.05%	6.45%	8.52%	2.69%	5.31%	20.88%	5.17%	8.95%	2.03%	7.86%	12.91%	5.65%	16.69%
Percent 5 to 9 units	8.23%	9.44%	10.72%	7.17%	7.22%	11.39%	8.22%	10.72%	2.26%	12.68%	17.48%	5.64%	17.34%
Percent 10 to 19 units	8.05%	10.36%	7.73%	1.45%	11.51%	7.65%	2.94%	8.16%	1.67%	26.21%	8.48%	3.43%	22.27%
Percent 20 to 49 units	8.85%	12.83%	7.99%	4.90%	5.14%	5.40%	5.64%	7.26%	2.95%	20.48%	5.40%	3.53%	8.43%
Percent 50 or more units	8.25%	11.25%	3.79%	8.77%	6.46%	4.76%	5.44%	6.42%	4.23%	22.86%	3.62%	4.50%	5.71%
Percent Mobile home	1.63%	0.61%	2.74%	7.45%	12.41%	0.16%	2.54%	1.99%	9.75%	0.07%	0.24%	3.18%	0.26%
Percent Boat; RV; van; etc.	0.10%	0.06%	0.00%	0.00%	0.23%	0.25%	0.00%	0.89%	0.04%	0.54%	0.05%	0.08%	0.00%
Year Structure Built													
Percent Built 1999 to March 2000	0.69%	0.54%	0.81%	0.14%	2.71%	0.46%	0.16%	0.76%	1.28%	0.17%	0.41%	0.43%	0.60%
Percent Built 1995 to 1998	2.01%	1.90%	2.18%	2.93%	5.95%	1.30%	2.95%	1.67%	1.80%	0.92%	1.42%	0.89%	2.09%
Percent Built 1990 to 1994	4.15%	3.72%	5.46%	4.21%	2.58%	4.40%	3.20%	3.41%	3.88%	6.12%	1.89%	1.18%	4.87%
Percent Built 1980 to 1989	12.33%	11.09%	9.68%	17.95%	12.48%	12.21%	19.76%	12.49%	11.86%	11.45%	11.30%	4.41%	14.16%
Percent Built 1970 to 1979	15.58%	15.02%	12.92%	23.36%	29.44%	15.16%	24.71%	15.49%	16.08%	12.49%	11.50%	14.30%	15.50%
Percent Built 1960 to 1969	17.83%	17.53%	22.15%	19.70%	24.31%	17.18%	14.74%	18.43%	30.21%	16.91%	12.93%	15.58%	19.12%
Percent Built 1950 to 1959	22.27%	20.49%	23.26%	24.41%	12.00%	16.05%	19.06%	21.99%	24.56%	14.81%	18.23%	24.30%	14.36%
Percent Built 1940 to 1949	12.25%	12.99%	12.06%	3.90%	6.89%	13.04%	6.69%	11.80%	7.09%	10.10%	21.32%	28.48%	10.53%
Percent Built 1939 or earlier	12.90%	16.71%	11.48%	3.41%	3.64%	20.20%	8.74%	13.96%	3.24%	27.03%	21.01%	10.42%	18.77%
Housing units: Median year structure built	1961	1960	1961	1969	1971	1960	1970	1961	1965	1959	1954	1955	1963

Table 7.2-10. Housing Characteristics in 2000 (continued)

	<i>Los Angeles County</i>	<i>City of Los Angeles</i>	ZIP CODE AREA										
			<i>90501 Torrance</i>	<i>90502 Torrance</i>	<i>90710 Harbor City</i>	<i>90731 San Pedro</i>	<i>90732 San Pedro</i>	<i>90744 Wilmington</i>	<i>90745 Carson</i>	<i>90802 Long Beach</i>	<i>90806 Long Beach</i>	<i>90810 Long Beach</i>	<i>90813 Long Beach</i>
Median year householder moved into unit: Total	1995	1996	1996	1994	1995	1996	1993	1996	1992	1998	1996	1993	1997
Median year householder moved into unit: Owner occupied	1989	1988	1990	1990	1990	1988	1988	1985	1988	1996	1993	1986	1993
Median year householder moved into unit: Renter occupied	1997	1997	1997	1997	1997	1997	1997	1997	1997	1998	1997	1997	1998
Percent Lacking Complete Plumbing Facilities	1.11%	1.45%	1.11%	0.55%	1.28%	0.90%	0.23%	1.90%	0.65%	1.58%	1.59%	1.22%	1.89%
Percent Lacking Complete Kitchen Facilities	1.75%	2.41%	1.77%	0.88%	1.00%	1.92%	0.95%	2.60%	0.72%	2.87%	1.78%	1.65%	2.62%
<i>Source: Census 2005c</i>													

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Table 7.2-11. Home Price by County (1990-2003)

Existing Homes					
<i>Year</i>	<i>County</i>				
	LOS ANGELES	ORANGE	RIVERSIDE	SAN BERNARDINO	VENTURA
1990	251,000	252,241	146,014	126,261	243,035
1991	252,915	251,004	149,181	131,920	238,657
1992	247,377	246,730	152,182	132,197	235,427
1993	237,198	241,622	143,890	129,880	230,744
1994	232,165	240,706	141,936	127,123	226,505
1995	219,735	234,187	135,489	120,660	225,846
1996	217,747	231,683	135,663	119,954	223,801
1997	230,908	243,081	143,106	121,364	227,862
1998	247,593	260,191	152,852	127,503	245,510
1999	252,392	271,714	154,500	134,251	259,257
2000	270,912	297,768	167,380	144,499	280,754
2001	285,477	319,801	182,371	153,963	299,626
2002	328,015	370,125	205,814	169,847	344,970
2003	374,666	426,427	237,225	195,315	400,027
Change (1990-1995)					
Percent	-12.46%	-7.16%	-7.21%	-4.44%	-7.07%
Av. Ann. %	-2.63%	-1.41%	-1.22%	-0.85%	-1.36%
Change (1995-2000)					
Percent	23.29%	84.06%	74.86%	62.82%	78.74%
Av. Ann. %	4.28%	9.11%	8.31%	7.21%	8.65%
Change (2000-2003)					
Percent	38.30%	43.21%	41.73%	35.17%	42.48%
Av. Ann. %	11.41%	12.72%	12.33%	10.57%	12.53%
Change (1990-2003)					
Percent	49.27%	69.06%	62.47%	54.69%	64.60%
Av. Ann. %	3.13%	4.12%	3.80%	3.41%	3.91%

Table 7.2-11. Home Price by County (1990-2003) (continued)

New Homes					
<i>Year</i>	<i>County</i>				
	LOS ANGELES	ORANGE	RIVERSIDE	SAN BERNARDINO	VENTURA
1990	223,726	268,113	170,100	169,856	284,268
1991	224,719	265,913	166,649	175,110	266,937
1992	207,111	259,212	158,320	162,921	256,765
1993	201,948	246,540	151,335	150,632	255,759
1994	211,785	258,449	152,804	149,325	245,503
1995	221,207	250,416	151,890	153,443	249,088
1996	245,466	254,471	159,987	153,378	247,597
1997	252,662	272,376	166,339	167,513	265,581
1998	259,870	315,761	186,782	175,823	294,692
1999	294,461	354,342	215,743	194,836	346,736
2000	306,924	404,611	248,156	211,863	360,888
2001	332,257	436,923	250,003	222,583	380,329
2002	362,541	474,852	268,878	240,382	423,091
2003	417,695	450,365	295,048	268,440	489,020
Change (1990-1995)					
Percent	-1.13%	-6.60%	-10.71%	-9.66%	-12.38%
Av. Ann. %	-0.23%	-0.87%	-1.02%	-1.69%	-2.28%
Change (1995-2000)					
Percent	38.75%	76.98%	84.42%	75.02%	97.51%
Av. Ann. %	6.77%	8.50%	9.14%	8.32%	10.21%
Change (2000-2003)					
Percent	36.09%	11.31%	18.90%	26.70%	35.50%
Av. Ann. %	10.82%	3.64%	5.94%	8.21%	10.66%
Change (1990-2003)					
Percent	86.70%	67.98%	73.46%	58.04%	72.03%
Av. Ann. %	4.92%	4.07%	4.33%	3.58%	4.26%
<i>Source: LAEDC 2005</i>					

1

Table 7.2-12. Home Prices by Community (1997-2002)

	1997	1998	1999	2000	2001	2002	Ave. Ann. % Change (1997-2002)
Carson	\$140,000	\$153,500	\$170,000	\$170,250	\$210,000	\$240,000	11.38%
El Segundo	\$309,000	\$276,750	\$290,000	\$397,000	\$369,500	\$415,000	6.08%
Gardena	\$149,000	\$150,000	\$165,000	\$166,500	\$206,250	\$231,387	9.20%
Hawthorne	\$149,000	\$149,500	\$172,000	\$198,750	\$205,000	\$260,000	11.78%
Hermosa Beach	\$317,500	\$385,000	\$402,000	\$548,500	\$557,500	\$627,250	14.59%
Inglewood	\$130,750	\$134,000	\$145,000	\$154,000	\$173,000	\$203,000	9.20%
Lawndale	\$145,000	\$150,000	\$175,250	\$175,000	\$185,000	\$247,000	11.24%
Lomita	\$170,000	\$190,000	\$240,000	\$250,000	\$240,000	\$340,000	14.87%
Manhattan Beach	\$535,000	\$592,000	\$630,000	\$722,500	\$712,500	\$831,500	9.22%
Marina Del Ray	\$290,000	\$340,000	\$360,000	\$384,500	\$449,000	\$452,500	9.31%
Palos Verdes Estates	\$614,000	\$640,000	\$749,500	\$732,500	\$855,000	\$879,000	7.44%
Playa Del Rey	\$278,500	\$221,000	\$231,500	\$243,250	\$267,750	\$313,500	2.40%
Rancho Palos Verdes	\$452,500	\$543,000	\$562,500	\$591,000	\$557,000	\$669,000	8.13%
Redondo Beach	\$286,250	\$300,250	\$318,000	\$346,000	\$400,000	\$449,000	9.42%
San Pedro	\$164,000	\$230,000	\$236,000	\$235,000	\$262,500	\$320,000	14.30%
Torrance	\$239,000	\$243,500	\$247,500	\$297,000	\$307,000	\$365,000	8.84%
Wilmington	\$103,500	\$125,000	\$131,250	\$147,000	\$184,500	\$196,000	13.62%
<i>Source: LAEDC 2002</i>							

2

1 first five years of this period showed modest and negative growth. The latter 5 years,
 2 however, exhibited rapid growth with home prices more than doubling and registering
 3 average annual rates of change in excess of 20 percent. Figure 7.2-5 illustrates the year-
 4 to-previous year change in median home price in San Pedro and Wilmington.

5 **7.2.2 Environmental Quality**

6 **7.2.2.1 Introduction**

7 Environmental quality and the effect of urban decay and blight on communities in the
 8 vicinity of the ports have recently become the focus of attention at the national level.
 9 This relationship has been recognized by a number of national organizations (NRDC
 10 2004 and ULI 2002). Such concerns are shared by communities in the vicinity of the
 11 Port of Los Angeles, residents, community groups, and other entities. “Environmental
 12 quality” refers to an aggregative set of factors that contribute to the overall condition of
 13 the natural, physical, and human environment. In the context of an urban setting, some
 14 key contributing factors include visual quality and aesthetics, land use compatibility
 15 and encroachment, socioeconomic conditions, real property values and attributes, air
 16 and water quality, hazardous materials and waste sites, and the adequacy of public
 17 facilities and services. For the purposes of this discussion, environmental quality is
 18 addressed from two perspectives:

- 19 • Regulatory context where a “blighted area” refers to an area officially designated
 20 for redevelopment by a public agency;
- 21 • Non-regulatory context representing the overall perception or impression of an
 22 area as being physically degraded and deteriorated, showing visible signs of
 23 disinvestment, deferred maintenance by both public and private entities, and
 24 other adverse physical characteristics or economic or social conditions that are
 25 visible to or experienced by the public (i.e., an area considered by or experienced
 26 by members of the community as having degraded environmental quality,
 27 regardless of any official designation).

28 This section is related to the analysis of land use in Section 3.8 (e.g., section 3.8.2.4,
 29 Redevelopment Areas in the Project Vicinity). However, this section provides more
 30 detailed information about the following topics:

- 31 • City of Los Angeles Community Redevelopment Agency (CRA/LA) industrial
 32 redevelopment area in Wilmington.
- 33 • Other City of Los Angeles programs and plans designed to regulate or improve
 34 community land uses and/or revitalize neighborhoods in the vicinity of the
 35 proposed Project and ordinances related to open storage.
- 36 • Community perception (i.e., non-regulatory issues) of environmental quality and
 37 blight and related local conditions.
- 38 • Historic changes in Port operations that may, in combination with other factors,
 39 affect off-site conditions and land uses.

- Measures taken by the Port to address community concerns regarding environmental quality.
- Impacts of the Berths 136-147 (TraPac) Container Terminal Project and as appropriate, mitigations for consideration.

7.2.2.2 Methodology

This analysis draws upon information gained from a number of sources. They include (a) discussions with Port of Los Angeles environmental and planning and research staff; (b) site visits to communities in the vicinity of the Port (especially Wilmington, since it is the community closest to the proposed Project); (c) a review of selected Port-related and other documents containing information relevant to the topic of environmental quality and blight; and (d) a review of City of Los Angeles plans and program information containing relevant data for the area. Based on the location of the TraPac Terminal site, the study area for this evaluation focuses on the community of Wilmington. In certain cases, information for the nearby community of San Pedro is included to provide additional context.

7.2.2.3 Regulatory Context

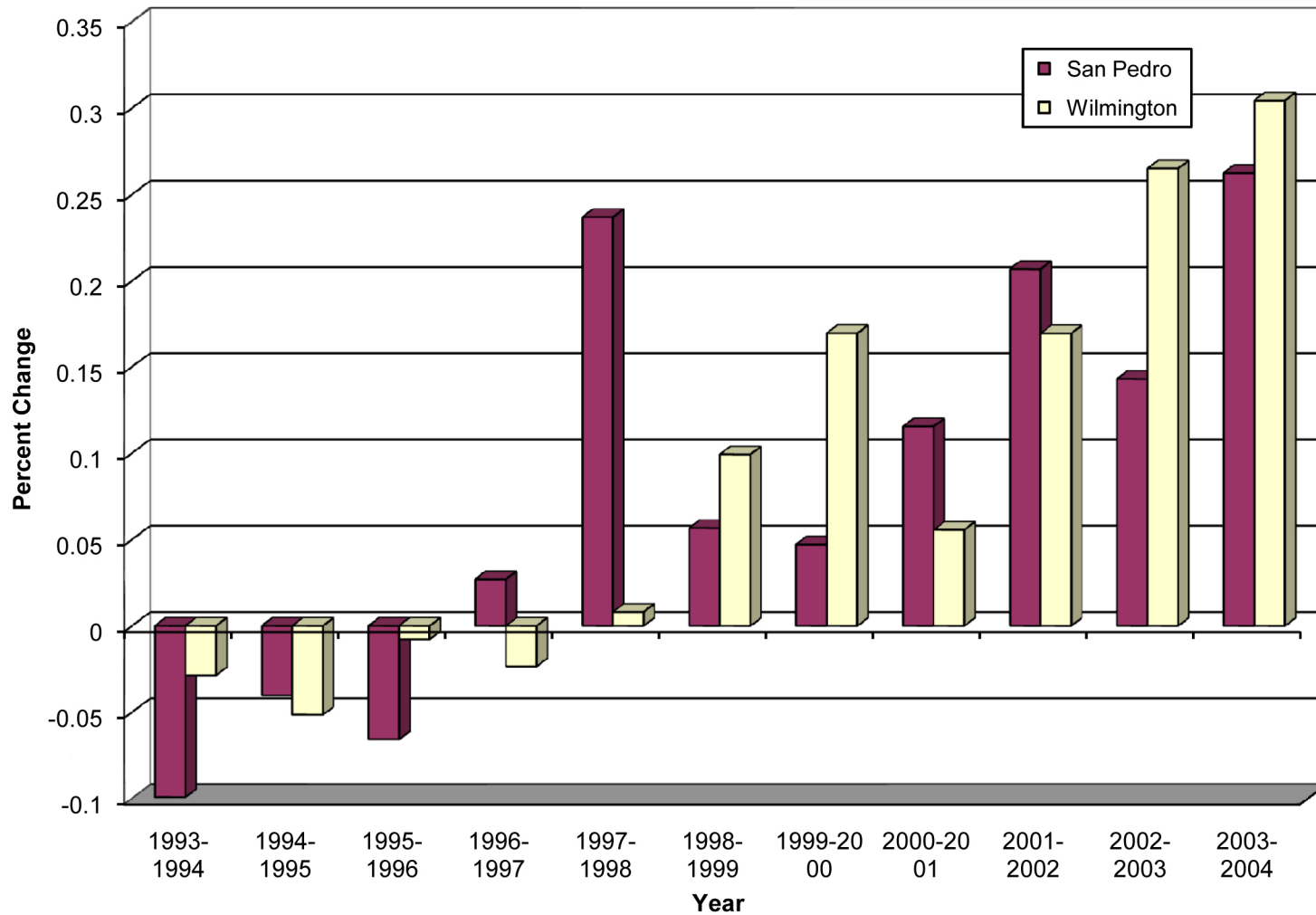
Laws, programs, plans and ordinances relevant to the evaluation of environmental quality and blight for the study area are described below. These include California redevelopment law, the Neighborhood Block Grant program, City of Los Angeles community plans, and existing and proposed ordinances related to cargo container and open storage.

California Redevelopment Law

California’s Community Redevelopment Law (Health and Safety Code, Section 33000 et seq.) codifies the authority for certain entities to identify areas that are “blighted” according to the statutory definition of blight, to designate these areas for redevelopment, to prepare redevelopment plans, and to carry out activities subject to these plans in order to support development or redevelopment of these areas. The statutory definition of blight has changed over time and in 1993 was changed to require evidence of both physical and economic blight conditions in a predominantly urban area: “The combination of conditions...must be so prevalent and so substantial that it causes a reduction of, or lack of proper utilization of the area to such an extent that it constitutes a serious physical and economic burden to the community which cannot reasonably be expected to be reversed or alleviated by private enterprise or governmental action, or both without redevelopment.” The statute describes the types of physical and economic conditions that cause blight. Section 33031 of the California Redevelopment Law: (Health and Safety Code, Section 33000 et seq.)

(a) Physical conditions that cause blight include:

(1) Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions can be caused by serious building code violations, dilapidation and deterioration, defective design or physical construction, faulty or inadequate utilities,



Source: First American 2005

Figure 7.2-5. Change in Median House Price (Year-to-Previous Year), San Pedro and Wilmington

1 or other similar factors. (2) Factors that prevent or substantially hinder the economically
2 viable use or capacity of buildings or lots. This condition can be caused by a substandard
3 design, inadequate size given present standards and market conditions, lack of parking, or
4 other similar factors. (3) Adjacent or nearby uses that are incompatible with each other
5 and which prevent the economic development of those parcels or other portions of the
6 project area. (4) The existence of subdivided lots of irregular form and shape and
7 inadequate size for proper usefulness and development that are in multiple ownership.

8 (b) Economic conditions that cause blight include:

9 (1) Depreciated or stagnant property values or impaired investments, including, but not
10 necessarily limited to, those properties containing hazardous wastes that require the use
11 of agency authority as specified in Article 12.5 (commencing with Section 33459). (2)
12 Abnormally high business vacancies, abnormally low lease rates, abandoned buildings,
13 or excessive vacant lots within an area developed for urban use and served by utilities.
14 (3) A lack of necessary commercial facilities that are normally found in neighborhoods,
15 including grocery stores, drug stores, and banks and other lending institutions. (4)
16 Residential overcrowding or an excess of bars, liquor stores or other businesses that cater
17 exclusively to adults that have led to problems of public safety and welfare. (5) A high
18 crime rate that constitutes a serious threat to the public safety and welfare.

19 **Los Angeles Harbor Industrial Center Redevelopment Project**

20 In 1974, The City of Los Angeles Community Redevelopment Agency (CRA/LA)
21 designated an industrial redevelopment project area in Wilmington, referred to as the
22 Los Angeles Harbor/Wilmington Industrial Center Redevelopment Project (see
23 Figure 7.2-6). The redevelopment project area contains 232 acres including the
24 Wilmington Industrial Park and is generally bordered by Anaheim Street on the
25 north, Harry Bridges Boulevard on the south, Alameda Street on the east and Broad
26 Avenue on the west. It is the only redevelopment project in the City of Los Angeles
27 designated exclusively for industrial use.

28 At the time of adoption of the redevelopment plan in 1974, the conditions in the area
29 were characterized by physical and economic blight due to oil extraction activities; an
30 incompatible and unhealthy mix of industrial buildings, residential dwellings, oil
31 extraction equipment, rusting oil storage tanks, automobile junk-yards, boat construction
32 and storage yards; and unimproved streets and alleys and junk strewn on vacant land.
33 Hindrances to development included small residential-sized parcels held in scattered
34 ownership, with a complicated overlay of multiple petroleum rights; environmental
35 deficiencies such as soil contamination; railroad rights of way and obsolete utility and
36 public improvement systems. The under-utilization of land contributed substantially to
37 the economic and social degradation of both the redevelopment project area and adjacent
38 portions of the Wilmington community (CRA/LA 2005a).

39 Public investment of nearly \$10 million has resulted in more than 30 new developments,
40 more than 75 new businesses, and more than 1,300 new jobs. CRA investment has been
41 matched by private investment of more than \$37 million in new facilities encompassing
42 more than 879,000 square feet. The FY 2004-2005 work program identifies a number of

1 activities, one of which is to pursue the feasibility of creating a new redevelopment area
2 for the revitalization of the commercial corridors in Wilmington.

3 **Neighborhood Block Grant Area: East Wilmington**

4 In 2000-2001, the City of Los Angeles selected 14 Neighborhood Block Grant (NBG)
5 areas that would be eligible for future receipt of Community Development Block Grant
6 resources. Funds are used for neighborhood revitalization and improvement purposes.
7 The Mayor’s Office has formed a Neighborhood Team with Project Managers from the
8 seven Planning Commission Areas including the Harbor. The Neighborhood Team
9 works with Neighborhood Councils and other stakeholders to select, prioritize, and
10 allocate funds for capital improvement projects. The East Wilmington NBG area is
11 bordered by the Pacific Coast Highway on the north, Anaheim Street on the south,
12 Alameda Street on the east and Eubank Avenue on the west (see Figure 7.2-6).
13 Examples of public improvement projects include sidewalk repair and pocket
14 park/recreational facility improvements.

15 **San Pedro Redevelopment Projects**

16 The CRA has also established redevelopment project areas in San Pedro, including
17 the 693-acre Pacific Corridor Redevelopment Project established in 2002 and the 60-
18 acre Beacon Street Project established in 1969 (see Figure 7.2-6). These projects
19 include retail and mixed uses.

20 The Pacific Corridor Redevelopment Project Area extends from the south side of Knoll
21 Hill and is generally bordered by Capital Drive on the north, Gaffey Drive on the west,
22 22nd Street on the south, and Harbor Boulevard on the east. The project includes
23 development/rehabilitation of commercial/retail uses, a “welcome park”, a transit
24 center, additional parking, and residential uses, formation of an Arts District, and
25 provision of business incentives and other strategies. Historically, Pacific Avenue
26 served as the main commercial street for the San Pedro community in the downtown
27 area. More recently, however, it became an economically stagnant area with many
28 empty storefronts and high incidents of crime and graffiti. Construction of the Gaffey
29 Street off ramp from the 110 Freeway further exacerbated the decline by redirecting
30 customers elsewhere (CRA/LA 2002).

31 The Beacon Street Redevelopment Project Area is roughly bordered by 3rd Street on the
32 north, Mesa Street on the west, 7th Street on the south, and Harbor Street on the north.
33 “The Beacon Street Redevelopment Project has transformed a once seedy waterfront area
34 into a modern downtown community, with new commercial residential, cultural, and
35 institutional uses replacing the pawn shops, bars, missions and pool halls that had
36 previously dominated the area. Major recent undertakings are acquisition and
37 rehabilitation of the historic Warner Grand Theatre and development of a 14-screen
38 movie theater complex” (CRA/LA 2005b).

39

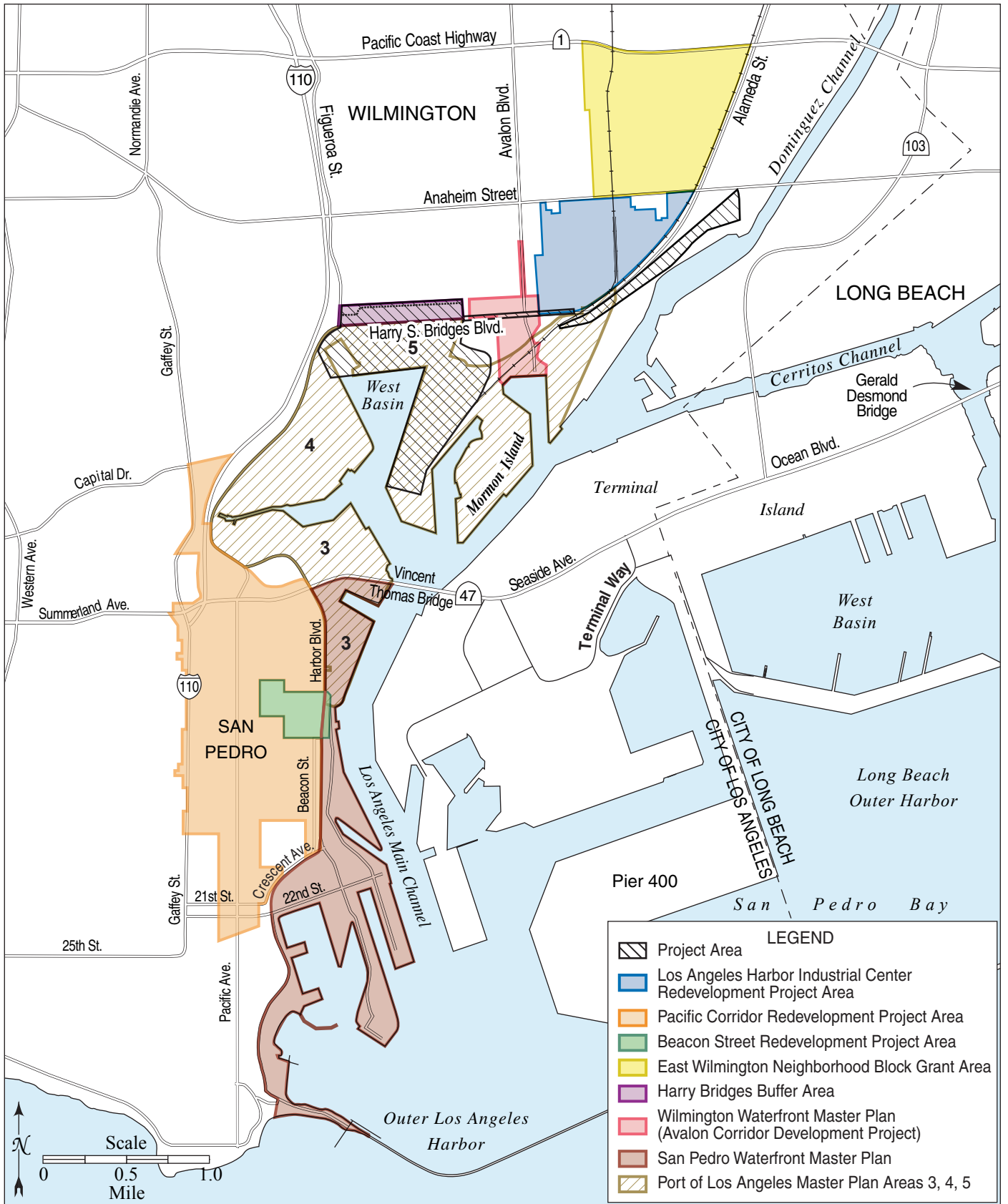


Figure 7.2-6. Redevelopment and Planning Areas

Port of Los Angeles Master Plan

The proposed Project is located entirely within the California Coastal Zone, which was established pursuant to the federal Coastal Zone Management Act of 1972 and the California Coastal Act of 1976. Chapter 8, Article 3, of the Coastal Act stipulates that ports shall prepare and adopt master plans. Port master plans are certified by the Coastal Commission, and development projects authorized or approved pursuant to an adopted and certified master plan are considered to be in conformity with the coastal zone management program. The Port of Los Angeles Master Plan (revised June 2002) provides for the short- and long-term development, expansion, and alteration of the Port. The Port Master Plan has been certified by the California Coastal Commission and is intended to be consistent with the Port of Los Angeles Plan (discussed below), an Element of the City's General Plan. The Port Master Plan divides the Port into a series of master planning areas, for which it identifies short-term plans and preferred long-range uses. Master Plan Areas 3, 4, and 5 are located in the vicinity of the TraPac Project site (see Figure 7.2-6). Short- and long-term uses in these areas are described more fully in Land Use (Section 3.8).

The Port of Los Angeles Plan (adopted in 1982 with subsequent amendments), part of the City of Los Angeles General Plan Land Use Element, is intended to serve as the official 20-year guide to the continued development and operation of the Port. It is intended to be consistent with the Port Master Plan, as described above.

The Plan designates the northern and western portions of the Port, including the West Basin, as Commercial/Industrial land uses, which are further classified as General/Bulk Cargo and Commercial/Industrial Uses/Non-Hazardous uses. General Cargo includes container, break-bulk, neo-bulk, and passenger facilities. Commercial uses include restaurants and tourist attractions, offices, retail facilities, and related uses. Industrial uses include light manufacturing/industrial activities, ocean-resource industries, and related uses.

The remainder of the Port to the southeast is similarly designated and classified, differentiated only by a Hazardous Uses classification (City of Los Angeles 1982a). The Port of Los Angeles Plan contains several objectives and policies applicable to the West Basin. A full list is included in Section 3.8, Land Use. Those objectives and policies that focus on off-site effects of Port operations or other community issues are identified below:

Objectives

- **Objective 3.** To coordinate the development of the Port of Los Angeles and the development of adjacent communities as set forth in the community plans for San Pedro and Wilmington-Harbor City.
- **Objective 4.** To ensure priority for water and coastal-dependent development within the Port while maintaining and, where feasible, enhancing the coastal zone environmental and public views of and access to coastal resources.

- **Objective 6.** To relocate hazardous and/or incompatible land uses away from adjacent residential, public recreational and tourist areas when appropriate land areas for relocation become available.
- **Objective 7.** To promote efficient transportation routes within the Port consistent with external systems to connect employment, waterborne commerce, commercial and recreational areas.

Policies

- **Policy 7.** Decisions to undertake individual and specific development projects shall be based on considerations of alternative locations and designs to minimize environmental impacts.
- **Policy 13.** Road, rail and access systems within the Port and connecting links with road, rail and access systems outside of the Port shall be located and designed to provide necessary, convenient and safe access to and from land and water areas consistent with the long-term preferred uses for the Port and consistent with the applicable elements of the Los Angeles General Plan and the Local Coastal Program.
- **Policy 19.** The following long-range preferred water and land uses shall guide future Port development:
 - *Area 3 West Turning Basin:* Non-hazardous general cargo operations, commercial shipping and other heavy commercial and industrial uses.
 - *Area 4 West Basin:* Non-hazardous general cargo operations and Port-related industrial uses.
 - *Area 5 Wilmington District:* Non-hazardous liquid and non-hazardous dry bulk cargo, general cargo, commercial fishing operations, and Port-related commercial and industrial uses.

Wilmington-Harbor City Community Plan

Although the West Basin, where the proposed Project site is located, is entirely within the Port of Los Angeles Plan area, it adjoins the Wilmington-Harbor City Community Plan area along its northern border (Harry Bridges Boulevard and John S. Gibson Boulevard divide the two plan areas).

A summary of policies and objectives identified in the Wilmington-Harbor City Community Plan that are relevant to the TraPac Terminal Project follows (also see Section 3.8, Land Use).

- Cargo container storage facilities shall have direct access from major or secondary highways or through industrial areas with no access to such facilities through residential areas. Container storage areas shall provide landscaped buffering, height limitations, and noise and view mitigation measures protecting nearby residential areas, and no container storage shall be permitted within 300 feet of any residential zone. Even though irrigation in some areas may not be feasible or permitted, it is the policy to encourage landscaping with xeriscape sensitive plants.

- 1 • [Q] conditions prohibit cargo container storage within 300 feet of any residential
2 zone in most areas and, where such facilities are permitted in sensitive areas,
3 mitigation measures such as fences or walls, landscaped buffers, and height or
4 stacking limitations are imposed, effectuated by zone changes, with enforcement
5 being the responsibility of the Department of Building and Safety.¹ Coordinate
6 the development of the Port of Los Angeles with surrounding communities to
7 improve the efficiency and operational capabilities of the Port to better serve the
8 economic needs of Los Angeles and the region, while minimizing adverse
9 impacts to neighboring communities from Port-related activities.
- 10 • Coordinate the development of the Port of Los Angeles with surrounding
11 communities to improve the efficiency and operational capabilities of the Port to
12 better serve the economic needs of Los Angeles and the region, while
13 minimizing adverse impacts to neighboring communities from Port-related
14 activities.
- 15 • Assure that Port programs for land acquisition and circulation improvements
16 will be compatible with and beneficial in reducing environmental impacts to
17 surrounding areas caused by Port-related activities, as well as beneficial to the
18 Port.
- 19 • The Port's Wilmington land acquisition program should develop adequate
20 buffers, landscaping and transitional uses between the Port and the Community.
- 21 • Upgrade the circulation system both internal and external to the Port to promote
22 efficient transportation routes to employment, waterborne commerce, and
23 commercial and recreational areas, and to divert Port-related traffic away from
24 adjacent residential and commercial areas.
- 25 • Port land acquisitions and development in Wilmington should bring about the
26 timely removal of blighting activities and their replacement with uses consistent
27 with Port development activities and which enhance the physical, visual, and
28 economic environment of the community.

29 San Pedro Community Plan

30 Although the West Basin is entirely located within the Port of Los Angeles Plan area,
31 it abuts the San Pedro Community Plan area along its western edge (John S. Gibson
32 Boulevard divides the two plan areas). Policies and objectives in the San Pedro
33 Community Plan address issues such as coordination of Port development with
34 surrounding communities to minimize adverse environmental impacts; coordination
35 of Port development with the San Pedro Community Plan, the Beacon Street
36 Redevelopment Project, and the development of the Central Business District of San
37 Pedro; phase-out of underutilized railroad lines; recommended location of a rapid
38 transit terminal; and recommended phase-out of various uses including potentially
39 hazardous and/or incompatible land uses now adjacent to commercial and residential

1 Figure 3.8-2 in the Land Use section shows zoning designations for the project area. A bracketed [Q] symbol in an industrial zoning designation indicates a permanent qualified classification that typically indicates that a property may not be suitable for all uses ordinarily permitted in a particular zone classification, or that development is required to conform to certain standards, as necessary, to ensure compatibility with surrounding properties or neighborhood, to ensure compliance with the General Plan, and to prevent or mitigate potential adverse environmental effects associated with the zoning designation.

1 areas of San Pedro and, at specific sites, relocation and no further expansion of
2 facilities used for the storage, processing, or distribution of potentially hazardous
3 petroleum or chemical compounds.

4 **Wilmington Waterfront Development Program**

5 The Wilmington Waterfront Development Program (LAHD and PCAC 2004) is the
6 result of efforts by the Port Community Advisory Committee (PCAC), the PCAC
7 Wilmington Waterfront Development Subcommittee, and the City of Los Angeles
8 Harbor Department. The Program identifies a number of goals, objectives, and
9 implementation strategies for the Wilmington Waterfront area and anticipates two
10 separate and independent projects: 1) preservation of the Harry Bridges Buffer Area,
11 which will provide a physical space between the Wilmington community and the Port
12 of Los Angeles; and 2) the Avalon Boulevard Corridor development, which is intended
13 to provide waterfront access and commercial development opportunities for
14 Wilmington. The Wilmington Development Program is the result of a series of
15 planning efforts, beginning with the Wilmington/Port Area Planning Study in 1987 and
16 including the conceptual Wilmington Waterfront Development Plan prepared in 2003.
17 In October 2005, Port staff presented an update on the Wilmington Waterfront
18 Development Program to the Board of Harbor Commissioners including a status update
19 for implementing the Harry Bridges Buffer Area and Avalon Corridor projects.
20 Through this process, it was evident that the two projects were at different stages of
21 planning and development and did not rely on each other for implementation. Planning
22 for improvement of the Harry Bridges Buffer Area, which is owned by the Port, has
23 been conducted as part of the Berths 136-147 Project evaluated in this EIS/EIR. The
24 Avalon Boulevard Corridor Project, however, was found to be poorly defined and key
25 development issues, including land ownership questions and zoning restrictions, were
26 not yet established. This project would proceed with a master planning study, and then
27 continue through its own environmental document and into design and construction.

28 **Wilmington Waterfront Master Plan (Avalon Corridor Development Project)**

29 The Wilmington Waterfront Master Plan, otherwise known as the Avalon Corridor
30 Development Project, focuses on providing access to the Waterfront and promoting
31 development specifically along Avalon Boulevard. The Wilmington Waterfront
32 Master Plan is the result of a year-long planning process among community
33 representatives, Port of Los Angeles staff, and stakeholders. The Master Plan
34 establishes the conceptual design for public improvements along Avalon Boulevard.
35 The Wilmington Waterfront Master Plan establishes the location and character of
36 public open spaces, plazas, parks, and other public amenities; the location and character
37 of commercial and industrial development; and the circulation pattern and parking
38 approach to support public access. The Wilmington Waterfront Master Plan builds
39 upon existing plans for the Avalon Boulevard Corridor area, in particular the
40 Wilmington Waterfront Development Final Plan (2004), and acknowledges the land
41 use restrictions of the State Tidelands Trust Doctrine. The Master Plan serves as a
42 framework for amending existing plans, policies, and guidelines of the Port of Los
43 Angeles as well as the City of Los Angeles, including the Wilmington-Harbor City
44 Community Plan, a part of the City of Los Angeles General Plan, necessary to move
45 forward with the proposed Project.

Wilmington Open Storage Interim Control Ordinance

Ordinance No. 175384 imposed interim regulations on the issuance of any building or use of land permits for “Open Storage” as a primary use on all commercial and industrial properties within the Wilmington-Harbor City Plan Area. It was adopted by the City Council and subsequently became effective on August 15, 2003. The interim ordinance was replaced by a permanent ordinance in 2005. The interim ordinance listed a number of issues related to container storage in Wilmington, some of which are listed below. The enumerated conditions were identified by the City of Los Angeles:

- Prior to adoption of the ordinance, a City of Los Angeles task force was formed to study the land use issues in Wilmington pertinent to container storage. The task force surveyed 245 open storage uses in the Wilmington area and found that 107 of these uses had permits and certificates of occupancy and 138 of these uses were operating without permits.
- Residential areas located near the open storage yards may be subjected to adverse impacts such as blight, noise, dust, odors, rodents and vermin, or blockage of light and air circulation, and they therefore require protection from the impacts generated by these uses.
- The lack of proper screening controls and enforcement of open storage and salvage operations and the substandard maintenance of various industrial sites and structures have been largely responsible for eroding the area’s image and generating nuisance complaints from nearby residents.
- Existing zoning and building regulations provide minimal development restrictions to oversee the usage and operation of various open storage yards, and are largely inadequate to address the adverse impacts created by these uses.

New Cargo Container and Open Storage Regulations — Changes Affecting Wilmington

In the summer of 2005, the City of Los Angeles Planning Department adopted a number of changes to further regulate existing and future cargo container and open storage uses in Wilmington. The changes include zone changes and related actions defining new conditions applicable to existing cargo container storage and open storage areas, and changes in the zoning code to limit and identify the location of new Cargo Container Storage Yards. The former changes apply to industrial zones, placing additional controls on existing storage uses such as setbacks, landscaped buffers, storage and stacking height, and fencing/screening, and in some cases, adding conditions specifically prohibiting automobile dismantling yards, junkyards and building materials salvage yards. The latter changes allow new Cargo Container Storage subject to certain conditions in multiple specified locations zoned Heavy Industrial/General Bulk Cargo, primarily areas east of Alameda Street, including areas south of Lomita Boulevard between Eubank Avenue and Alameda Street, but prohibit new Cargo Container Storage Yards in six other areas zoned Light Industrial or Limited Industrial.

7.2.2.4 Non-Regulatory Context/Other Conditions and Concerns

This section discusses other potential conditions and concerns not specifically addressed in the regulatory section above.

Land use compatibility and encroachment of Port-related industrial uses into the community is a general concern related to environmental quality, including the potential expansion of Port operations beyond the existing Port boundary and acquisition of new property by the Port. The Port previously acquired property between Harry Bridges Boulevard and “C” Street, which forms the northern interface between the Port and the community of Wilmington. The Port also owns property in East Wilmington (east of the Alameda Corridor) which is one of several areas identified by the City for possible expansion of cargo container storage (see New Cargo Container and Open Storage Regulations section above). Use of container storage yards for storage of other equipment and materials (e.g., new and used truck chassis) and related maintenance, repair and disposal can cause visual impacts, noise, and other environmental effects.

Location of rail and highway infrastructure in the community and related traffic, congestion, diesel emissions and public safety and health issues are also a concern. Pedestrian and bicycle safety, especially in the vicinity of at-grade crossings and busy intersections (e.g., McFarland Avenue rail line) are a concern. Truck parking in unauthorized areas can affect residential neighborhoods and there is a concern that designated truck routes are not always used, which may result in increased noise, safety risks, residential road congestion, and littering. This topic is addressed in greater detail in the Truck Use section below.

Economic vitality of commercial areas, including the waterfront area, the main commercial corridors, and the expansion of tourism and community-serving uses is also an important concern.

Code violations (zoning, building, health) are receiving more attention than in the past in the Wilmington area and enforcement actions by appropriate departments of the City of Los Angeles have increased. Examples of Code enforcement issues include illegal use of private property (Department of Building and Safety); crime and illegal dumping (Los Angeles Police Department); illegal parking (Los Angeles Department of Transportation Parking Enforcement); and illegal encroachment on public rights of way (Bureau of Engineering, Bureau of Street Services and the Neighborhood Prosecutor).

Other types of violations, not specifically related to property use, include activities such as graffiti, vandalism, theft and similar crimes. In 2002, an economic blight analysis prepared for the Los Angeles Harbor Industrial Center Redevelopment Project Area (CRA/LA 2002) reported the following:

“For the most part, the (Redevelopment) Project Area is perceived as an area characterized by depressed economic conditions and crime problems. Within the (Redevelopment) Project Area, visual evidence of blight is indicated by oil extraction activities, wrecking/salvage operations, transportation/marine-associated yard uses, vacant weed- and garbage-strewn lots, vandalism and graffiti and homeless encampments. Owners of local businesses and industrial firms confirm that the perception of crime within the (Redevelopment) Project Area is strong. Among 87

1 owner occupants and tenants queried about the incidence of crime at their particular
2 locations, 44 percent indicated that they were experiencing problems with crime. By
3 far the most pervasive form is vandalism/graffiti/theft. Additionally, 89 properties,
4 comprising more than 25 acres, show evidence of graffiti and other vandalism. This
5 translates to more than 13 percent of the (Redevelopment) Project Area's total
6 parcels and nearly 17 percent of its total acres."

7 Property tax delinquencies can also be an indicator of blighted conditions. As of
8 January, 2003, 4.6 percent of properties in the City of Los Angeles were property tax
9 delinquent. By comparison, 6.7 percent, of properties within zip code Area 90744 in
10 Wilmington were property tax delinquent, a higher share than the City. Zip code
11 Areas 90731 and 90732 in San Pedro had a 3.1 percent and 1.3 percent rate,
12 respectively, of property tax delinquency, a lower share than the City, as did zip code
13 Area 90710 in Harbor City, which had a 3.4 percent delinquency rate.

14 **Truck Use of Residential Neighborhoods in Wilmington**

15 Scoping comments submitted for the Berths 136-147 Terminal EIS/EIR identified
16 community concerns about the proposed Project's impacts on neighborhoods adjacent
17 to the Port. For this reason and because of the proximity of the TraPac Terminal to
18 residential areas of Wilmington, data was collected to identify existing truck use within
19 and near residential areas in Wilmington (with a secondary focus on San Pedro). The
20 data did not identify whether trucks were Port-related. Field data were collected on
21 commercial vehicles (i.e., trucks with two axles, three or more axles, and trailers
22 parked without tractors). Private passenger vehicles such as minivans, pickup trucks,
23 SUVs and vans were excluded. Both truck traffic and truck parking in neighborhoods
24 adjacent to the Port were addressed. Field staff observed the locations of parked
25 commercial vehicles during several different daytime and evening hours on a weekday
26 in September, 2005 and collected both visual and mechanical (hose) counts of truck
27 movements at selected intersections.

28 City of Los Angeles planning and traffic engineering staff were contacted to identify
29 locations where residents have reported excessive truck traffic and/or truck parking.
30 Most of these are located near major roadways or major truck trip generators (e.g.,
31 container storage facilities). In addition, applicable City of Los Angeles Municipal
32 Code (LAMC) regulations and locations of local signs designating truck routes and
33 prohibiting truck traffic and truck parking were identified.

34 Land uses designated in the Wilmington-Harbor City Community Plan and in local
35 zoning codes represent a mix of residential and non-residential uses, including
36 industrial uses, sometimes in close proximity to one another (see Section 3.8, Land
37 Use). Some of the non-residential uses in Wilmington are Port-related, while others
38 are local land uses that are not Port-related but generate truck traffic from
39 commercial and industrial activities.

40 At present, there are many truck prohibition signs located throughout the Wilmington
41 Community providing "barriers" around the community; however, there are virtually
42 no signs directing operators to designated truck routes. Results from the field work
43 indicate that some trucks continue to drive through the area in violation of posted

1 prohibition signs. One reason for this may be a lack of posted truck route and
2 alternative truck route signs.

3 There are several locations in Wilmington where posted truck traffic restrictions
4 appear to be inconsistent with the LAMC. These streets are designated as secondary
5 roadways, and such street types may not be restricted to truck traffic without being
6 specifically identified in the LAMC.

7 Presently, the quality of the Lomita Boulevard street surface deteriorates dramatically just
8 east of Eubank Avenue (i.e., an unpaved segment) and does not connect to Alameda
9 Street. This may explain the amount of truck traffic on nearby residential streets.

10 The data on truck traffic volumes, and in some cases truck parking, generally support
11 resident complaints about excessive traffic and parking in proximity to large truck traffic
12 generators and other limited areas. Truck parking, however, does not appear to be a
13 widespread problem in residential areas of Wilmington but is more limited to specific
14 areas. Some late night parking may result from truck drivers living in Wilmington who
15 might therefore park in residential areas. Information on place of residence obtained
16 from a major regional trucking company that serves both the Port of Los Angeles and the
17 Port of Long Beach, based on 900 records, indicated that 3.4 percent of the drivers lived
18 in San Pedro and Wilmington. Separate data from the 2000 Census on occupational
19 breakdown by place of residence reported that 8.0 percent of the employed civilian
20 personnel 16 years and older who live in Wilmington zip code 90744 are employed in
21 transportation and warehousing occupations, compared to 10.8 percent in San Pedro zip
22 code 90731 and 12.7 percent in San Pedro zip code 90732.

23 **7.2.2.5 The Port's Role**

24 **Port History**

25 The Port of Los Angeles was created in 1907 with the establishment of the Los Angeles
26 Harbor Commission (see Cultural Resources Section 3.4 for additional detail). Port
27 growth was relatively slow until after World War I. Growing exports of local oil and
28 lumber, shipbuilding, fishing and cannery activities resulted in the construction of
29 numerous warehouses and sheds between 1917 and 1930. In 1917, an extensive
30 railroad was established for transporting goods from the Harbor throughout the U.S.
31 Port growth continued during the Depression of the 1930s with new cargo and
32 passenger terminal construction, in some cases replacing outdated wooden cargo
33 structures. Passenger terminals were constructed at the Port during the Port's
34 modernization related to containerized storage, between 1948 and 1953.

35 As economic commerce and technology have changed, the function of the Port has
36 shifted from its earlier focus on fishing, shipbuilding and cargo uses to one where the
37 predominant use is container shipping. These changes have also affected off-site land
38 uses, transportation, and employment. For example, different kinds of storage and
39 transport are required. As the volume of cargo moving through the Port has increased,
40 the capacities of the highway and rail system have become strained and improvements
41 have been required (e.g., the Alameda Corridor). Much of the container cargo

1 currently shipped into the Port consists of finished goods from Asia that are transported
2 to other parts of California and beyond. These types of goods do not require assembly
3 (in the region) and may be transported to warehouses or distribution centers beyond the
4 Port area. In contrast, imported oil (non-containerized) may be refined in nearby
5 refineries before being transported elsewhere; local refineries have also supported oil
6 production in the vicinity of the Port or other parts of California. Ancillary uses have
7 also changed, including shipping suppliers, goods recyclers, various light industrial
8 uses, and as a result, uses may have become outmoded or less economically viable, in
9 some cases resulting in the need for economic revitalization and redevelopment.

10 **Port Environmental Programs and Initiatives**

11 The Port is taking a number of measures designed to reduce impacts of Port
12 operations and improve environmental quality in nearby communities. This section
13 provides a brief overview of the Port's Environmental Management Policy and the
14 consistency between that Policy and the Harry Bridges Buffer Area, Wilmington
15 Waterfront Development Program, and the San Pedro Waterfront Master Plan.
16 Section 1.6, Port of Los Angeles Environmental Initiatives, provides a more complete
17 description of the Port's Environmental Management Policy and measures planned
18 and implemented in accordance with that Policy.

19 On August 27, 2003, the Board of Harbor Commissioners approved development of
20 an Environmental Management Policy for the Port. The purpose of the
21 Environmental Management Policy is to provide an introspective, organized
22 approach to environmental management; further incorporate environmental
23 considerations into day-to-day Port operations; and achieve continual environmental
24 improvement. Numerous initiatives and programs under the Environmental
25 Management Policy relate to impacts of Port operations on environmental quality in
26 nearby communities, including programs aimed at improving efficiency of cargo
27 handling and reducing cargo storage time, use of electrified cranes, use of electric
28 and alternative fuel vehicles, on-dock rail systems and use of the grade-separated
29 Alameda Corridor, reducing truck traffic during daytime peak periods, and
30 technology sharing with other ports to continue improving pollution control
31 technologies. One recently approved plan under the Policy, the San Pedro Bays
32 Clean Air Action Plan (CAAP), specifically aims to reduce public health risk from
33 Port operations in the nearby communities.

34 The component of the current proposed Project involving the development of the 30-
35 acre landscaped buffer between "C" Street and Harry Bridges Boulevard, which is
36 designed to provide a landscaped separation between the Berth 136-147 Container
37 Terminal and the Wilmington Community and is consistent with the Environmental
38 Management Policy. This EIS/EIR also addresses the reconfiguration of Harry
39 Bridges Boulevard on its existing alignment, which is a conceptual element included
40 in the Preferred Community Alternative presented in the Plan

41 As discussed in Section 7.2.2.3, the Wilmington Waterfront Development Program,
42 which the Port also supports, identifies a project along Avalon Boulevard. The
43 Avalon Corridor Development Project is intended to provide waterfront access and
44 commercial development opportunity for Wilmington along Avalon Boulevard. This

1 Project would support development of commercial, industrial and mixed-use
2 development and identifies new waterfront amenities including a park, plaza,
3 promenade and other community facilities.

4 In San Pedro, the San Pedro Waterfront Master Plan includes 400 acres of Port
5 property along an eight-mile stretch of waterfront from the Vincent Thomas Bridge
6 to the Federal Breakwater in San Pedro. Designed to bring the community closer to
7 the waterfront and triple the amount of existing open space, it is divided into six
8 districts that focus on individual uses and traits: the Piers, Downtown Waterfront,
9 San Pedro Slip/Ports O'Call, Marina/Resort, Beaches and Warehouse Districts.
10 Extensive waterfront development will continue in phases over the next decade.
11 When complete, there will be 8.5 miles of public and revitalized waterfront, parks,
12 plazas, beaches, harbors, cultural and recreational attractions; all linked by a
13 continuous promenade from bridge to breakwater. Improvements will include open
14 space, landscaping and improved access (e.g., a promenade), retail and commercial
15 uses, civic uses, transportation and parking.

16 **7.3 Project Effects Related to** 17 **Socioeconomics and Environmental** 18 **Quality**

19 This section addresses proposed Project effects related to socioeconomics, followed
20 by a discussion of proposed Project effects related to environmental quality.

21 **7.3.1 Project Effects Related to Socioeconomics**

22 **7.3.1.1 Impact Methodology**

23 The initial step in estimating socioeconomic effects associated with implementation
24 of a project is to characterize aspects of the construction and operational phases of
25 that project. With the aid of economic impact modeling techniques (described
26 below), the economic effects of each aspect of a project are translated into measures
27 such as jobs and income.

28 Distinctions are made between the terms “hinterland” and “economic impact area.”
29 The hinterland of a port is the spatial extent of the market reach (i.e., the
30 geographical area from which cargo shipped through a port originates and area where
31 cargo moving through a port is destined). The geographical extent of the hinterland
32 usually is related directly to the size and number of facilities at a port. The economic
33 impact area is a geographical area selected for purposes of impact analysis and
34 comprises the area within which the great majority of project-related impacts are
35 anticipated. The economic impact area is typically smaller than the hinterland.

36 The primary catalyst for changes to socioeconomic resources is a change in economic
37 activity (i.e., industrial output [value of goods and services], employment, and

income). Changes in employment in an area have the potential to affect population, housing, and associated community services and infrastructure. This is especially the case when the additional job opportunities created through implementation of a project (during both the construction and operation phases) cannot be satisfied by the local workforce. Such a situation can trigger a movement of workers to the area to fill the supply of new jobs. Such an influx may be temporary, as in the case of short-lived construction activity, or permanent, as in the case where workers move to an area to fill long-term jobs. The movement of workers (and sometimes their accompanying family members) into an area depends mainly on the number of job opportunities made available by the project and the number and skill mix of workers available in the local labor force.

7.3.1.1.1 Economic Effects of Port Operations

Economic models and analysts distinguish several types of Port operations. “Port Industry” is defined as any regional economic activity that is directly needed for the movement of waterborne cargo and passengers. This definition includes activities that take place on the vessel, at the terminal, and during the inland movement of the cargo and passengers. The definition as it pertains to cargo movement includes documentation, financing, brokering, and other essential services that are directly required for the movement of waterborne cargo. Table 7.3-1 provides a detailed breakdown of port industry activities related to cargo movement.

Table 7.3-1. Port Industry Activities Associated with Cargo Movement

<i>Vessel Expenditures</i>	<i>Terminal Expenditures</i>	<i>Transaction Expenditures</i>	<i>Inland Expenditures</i>
Waterside Services: Tugs Pilotage Line Hauling Launch Radio/Radar Surveyors Dockage Lighterage Suppliers: Chandler/Provisions Laundry Medical Waste Handling Bunkers: Oil Water	Loading/Discharging: Stevedoring Clerking & Checking Watching/Security Cleaning/Fitting Equipment Rental In-Transit Storage: Wharfage Yard Handling Demurrage Warehousing Auto & Truck Storage Grain Storage Refrigerated Storage Cargo Packing: Export Packing Container Stuffing and Stripping	Government Requirements: Customs Entrance/Clearance Immigration Quarantine Fumigation Other: Banking Freight Forwarding Insurance Brokers	Inland Movement: Long Distance Truck Short Distance Truck Barge Air Rail Pipeline
<i>Source:</i> U.S. Maritime Administration (2000).			

1 The Port Industry activities involved in maritime passenger movements are slightly
2 different. They include vessel expenditures, cruise and ferry terminals, visitor
3 expenditures associated with pre- and post-cruise stays at the local port, and the inland
4 movement of passengers by a variety of modes (including transit, auto, rail, or walking).

5 Because the revenues and employment associated with Port Industry activities could
6 cease to exist if the port were to close down or become less efficient and lose its
7 cargo base, this employment base is directly impacted by port activities. A much
8 larger group of business that is less directly related to a port includes businesses that
9 produce, consume, or take to retail sale the products that move through the port.
10 These businesses use the facilities of a given port because they are the most efficient
11 and thus reduce transportation costs (ACTA 2007). These businesses are often called
12 “Related Users.” The expenditures of Related Users include (POLB 2005):

- 13 • Port users (expenditures of companies that use port facilities for importing or
14 exporting cargo, but are not located within the port; examples are manufacturing
15 companies that export to foreign markets and wholesalers that distribute
16 imported goods); and
- 17 • Retail sales (expenditures of companies to sell imported finished goods that
18 move through the port).

19 The analysis of the proposed Project and alternatives in this chapter focuses on
20 expenditures from construction activities and Port Industry operations, and associated
21 jobs, output, and tax revenues. A study for the Port of Los Angeles in the late 1990s
22 (LAHD, no date) suggests five jobs are created in Related User industries (port users
23 and retail sales) for every job in the Port Industry. A more recent study at the Port of
24 Long Beach (POLB 2005) suggests a higher number, 6.8 jobs in Related User
25 industries for every job in the Port Industry. Section 7.3.1.12 provides some
26 information about potential employment effects from Related Users that could be
27 associated with the proposed Project or alternatives.

28 **7.3.1.1.2 Direct, Indirect, and Induced Effects**

29 Each of the types of sectors related to port operations – both the Port Industry and
30 Related Users categories described above – has a “ripple effect” by which expenditures in
31 one sector contribute more output and jobs than the direct expenditure alone.

32 Vessels, terminals, transportation providers, and other Port Industry businesses purchase
33 goods and services from industries to support their operations. These suppliers, in turn,
34 purchase supplies and services to support their operations. These purchases continue to
35 ripple through the regional economy and impact the surrounding communities. In
36 economic impact terms, this set of expenditure ripples is known as the indirect effect.

37 In addition to the indirect effect of expenditure ripples, workers employed by the Port
38 Industry and their suppliers also generate economic impacts. The employees of the
39 Port Industry and their suppliers spend their wages and salaries on such purchases as
40 food, clothing, retail items, and vehicles. The economic ripples generated by employee
41 spending are known as the induced effect.

1 The total economic impact of each economic sector associated with port operations
2 consists of direct, indirect, and induced effects. The sum of indirect and induced
3 effect is also called secondary effect.

4 The ratio of total (direct, indirect, and induced) effects to direct effect is often called
5 the “economic multiplier.” Multipliers represent a quantitative expression of the
6 extent to which some initial, “exogenous” force or change (such as development
7 and/or expansion of a port terminal) is expected to generate additional effects through
8 the interdependencies that exist in the economy or “endogenous” linkage system.
9 Multipliers are predicated upon a domino theory of economic change. They translate
10 the consequences of change in one variable upon others, taking account of sometimes
11 complicated and roundabout linkages. Multipliers are numerical coefficients that
12 relate an initial change in demand (or employment) to a consequent change in total
13 income (or total employment).

14 Multipliers usually range between 1.0 and 3.0 and vary by the size and complexity of
15 the regional economy, by the interaction of industries within the area, and the
16 interactions between the regional economy and other regions. The more inputs that
17 are purchased locally and consumer expenditures made locally, the higher the
18 multiplier. The larger and more highly urbanized the area, the more complex and
19 integrated the economy is likely to be. Thus, more of the additional economic
20 activity will likely occur within the area and increase the size of the multiplier.

21 The economic multiplier for a given sector associated with port operations should not
22 be confused with the distinction between Port Industries and Related Users. Each of
23 these sets of industries or users has an economic multiplier and contributes to
24 regional economic activity via direct, indirect, and induced effects.

25 **7.3.1.1.3 MARAD Port Kit**

26 The economic impact analysis reported here was prepared using the Port Economic
27 Impact Kit model developed and maintained for the U.S. Maritime Administration
28 (MARAD) by A. Strauss-Wieder, Inc. and the Center for Urban Policy Research at
29 Rutgers, the State University of New Jersey.

30 The heart of the MARAD Port Economic Impact Kit is an input-output model. An
31 input-output model is based on a detailed level of industrial sector information and
32 a depiction of interindustry relations. Within this model, the economy of the area
33 under discussion is mapped in table form with each industry listed across the top
34 (column) as a consuming sector and down the side (row) as a producing sector. A
35 column in the table or “matrix” depicts the inputs needed from every other industry
36 to produce its output. This is referred to as a transaction matrix.

37 The MARAD port model provides a 517-industrial sector input-output model with
38 basic data customized for the state or regions being analyzed. In the case of the
39 Port of Los Angeles, the data customization applies to the five-county region within
40 Southern California. Local input for the model includes costs for handling major
41 cargo groups, transportation, and capital investments.

1 It should be understood that, although input-output analysis is a widely used approach to
2 estimating the local and regional economic effects of implementing projects, it is not
3 without its limitations. The information represents a snapshot at a specific time. In the
4 case of the current model, the technical coefficients are based on 1992 information that
5 was updated to 1998. (This is the most recent data available for the MARAD model.)
6 Over time, the relationships between industries in an economy change, and their
7 dependency on each other shifts. Input-output modeling does not account for economies
8 of scale. Thus, the input required by an industry does not vary proportionately even
9 though the final demand that is entered in the model varies.

10 Regional input-output models usually assume that regional technical requirements are
11 the same as those for the nation. For large, diverse regions, this assumption is probably
12 valid; but for smaller ones, the potential for deviation increases. The MARAD model
13 avoids this by providing customized information for the region containing the
14 deepwater port.

15 The program running the MARAD model is capable of handling a range of port-related
16 activity including a variety of cargoes (containerized cargo, break bulk, autos, project
17 cargo, dry bulk, and liquid bulk); passenger vessels (ferries and cruise ships); and capital
18 investments. For the proposed Project and the related modeling, containerized cargo is
19 the only cargo handled by the TraPac Terminal; capital investments are also applicable.

20 **7.3.1.1.4 Region of Influence**

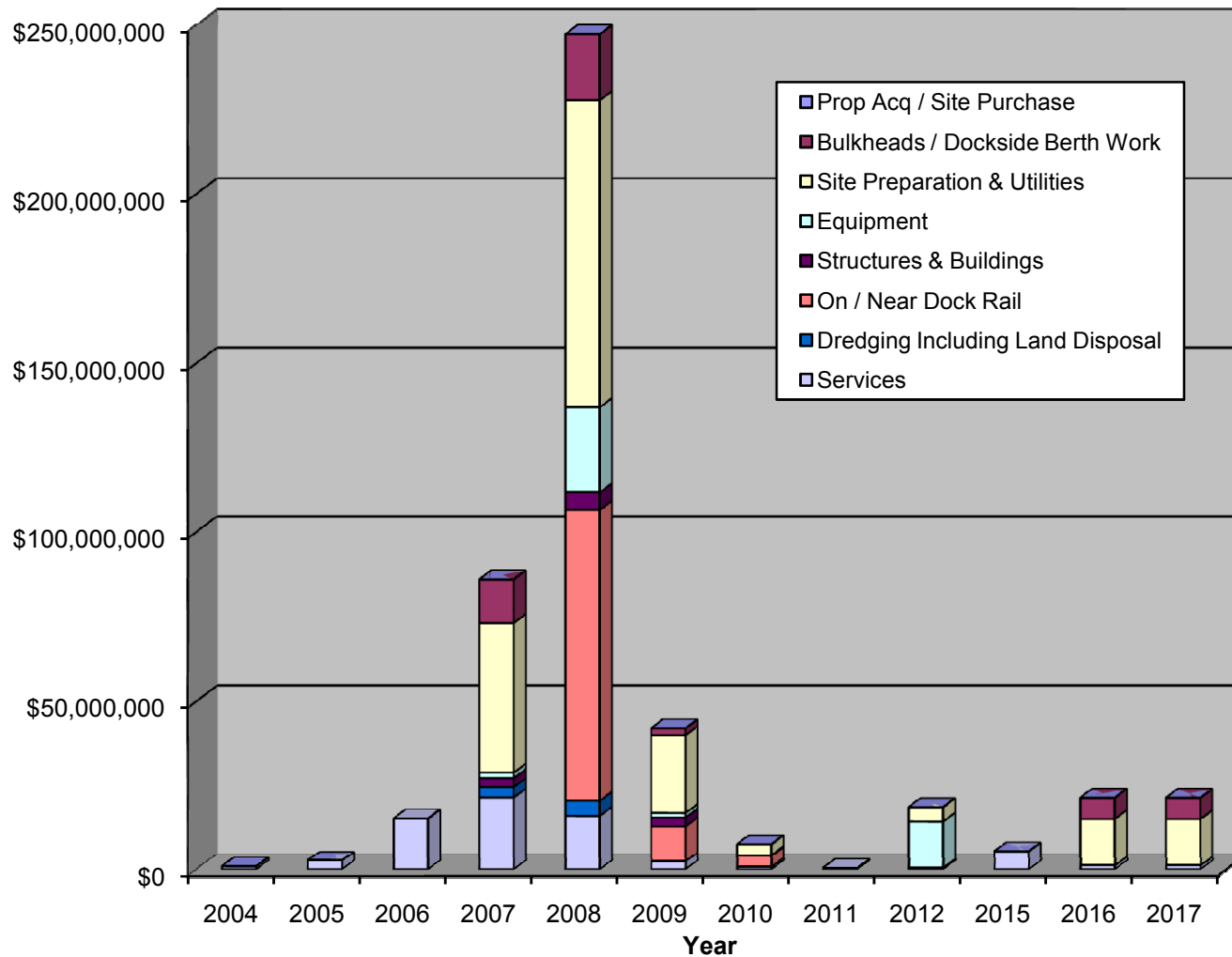
21 The Port of Los Angeles is a national asset. Many of the direct and secondary
22 economic impacts associated with its operation, however, are concentrated in a
23 region of influence comprising five of the counties in Southern California. The large
24 majority of longshoremen and trackers working at the Port reside in Los Angeles and
25 Orange Counties. The region of influence (ROI) is defined as the following five
26 counties: Los Angeles, Orange, Riverside, San Bernardino, and Ventura (San Diego
27 and Imperial counties are excluded from the region).

28 **7.3.1.1.5 Economic Measures of Project Effects**

29 In describing the economic effects that implementation of a project could have on the
30 regional economy, a number of measures can be used such as net changes in regional
31 employment, output, wages, tax revenue, and value added. Attention is focused here
32 on employment, income, tax revenues, and effects multipliers.

33 **7.3.1.2 Proposed Project Construction**

34 Implementation of the proposed Project requires completion of a number of additions
35 and improvements to Port facilities. The improvements comprising Phase I are
36 projected to occur mainly between 2007 and 2015, while those comprising Phase II
37 would take place after 2015. To effectively utilize the capabilities of the MARAD
38 economic impact model, direct project expenditures are cast into an annual timeframe.
39 Results of the analysis are presented for each year. As can be seen from the information
40 presented in Figure 7.3-1, expenditures are concentrated in 2007, 2008, and 2009.



Source: SAIC 2006

Figure 7.3-1. Proposed Project: Annual Capital Improvement Project Expenditures

1 Expenditures in 2008 are estimated to be about \$247 million with the largest share
 2 accounted for by Site Preparation (36.7 percent of total expenditures), followed by
 3 On/Near Dock Rail (34.7 percent of total expenditures). During 2007, expenditures total
 4 almost \$86 million. This spending is allocated mainly to Site Preparation (51.4 percent
 5 of total expenditures) and Services (25.1 percent of total expenditures).

6 It is anticipated that effects associated with construction of the proposed Project would be
 7 experienced mostly in the five-county Southern California region, and it is this
 8 geographical area for which effects are reported.

9 **7.3.1.2.1 Employment Impacts for Proposed Project Construction**

10 During the construction phases of the proposed Project, employment would be
 11 greatest in 2008 when 2,812 jobs annually, both direct and secondary, could be added
 12 to the regional economy. The results are depicted in Figure 7.3-2 and shown in Table
 13 7.3-2. The majority of total jobs are attributable to the construction sector of the
 14 economy (47.0 percent). About 15.9 percent of the total number of new jobs would
 15 be in the services sector, about 11.7 percent in the manufacturing sector and 11.1
 16 percent in the retail trade sector.

17 Impacts to regional employment associated with construction activity can be assessed by
 18 comparing existing regional employment and effects of the proposed Project. For
 19 instance, the 2,812 jobs added in the peak construction year represents about 0.25 percent
 20 of the projected number of jobs in the 5-county region of 8,260,000 in the corresponding
 21 year (2008) (SAIC 2005).

22 **7.3.1.2.2 Income, Tax Revenues, and Effect Multipliers for Proposed Project 23 Construction**

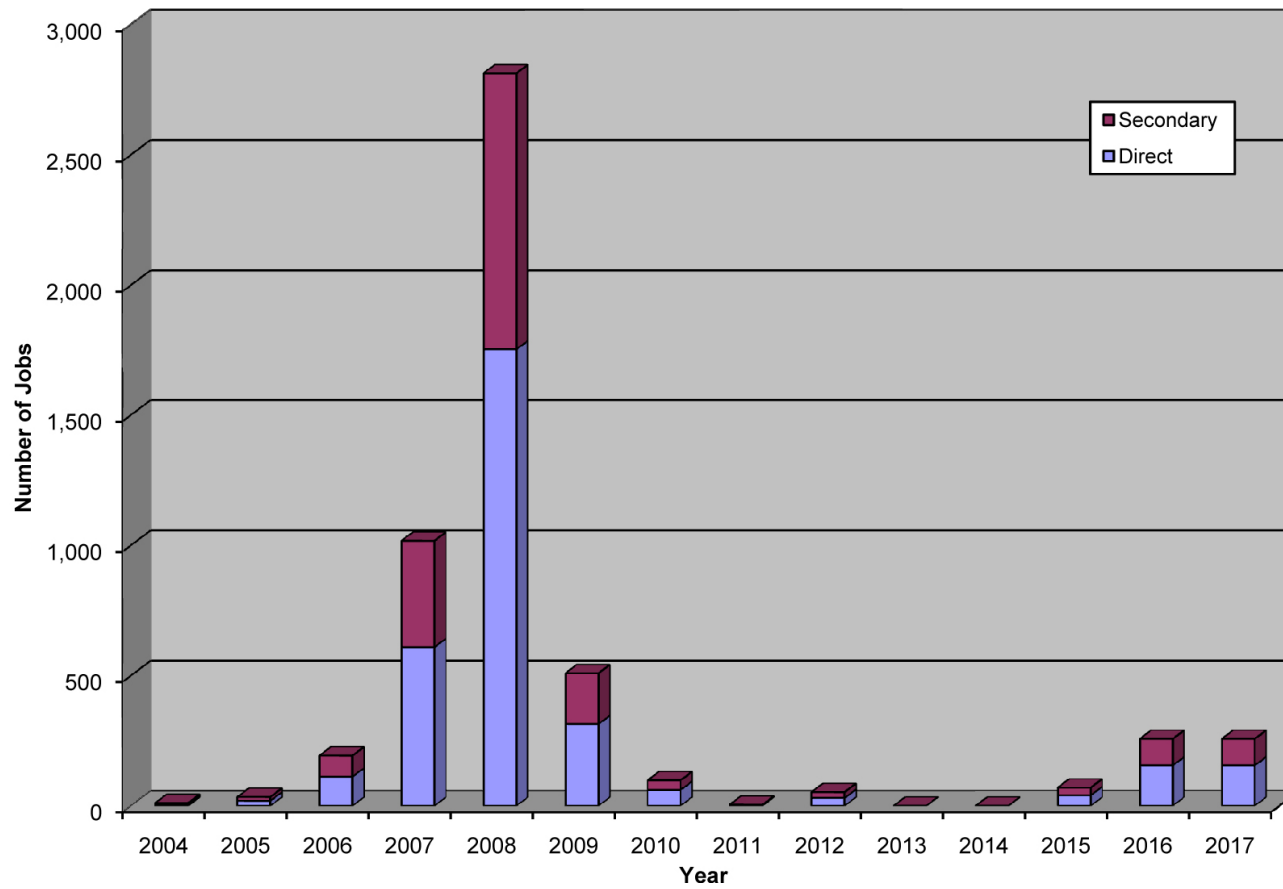
24 Aggregate wages and salaries during 2008 (the year exhibiting the highest construction
 25 activity levels) would reach over \$156 million annually. This equates to an average
 26 annual wage or salary for each worker related to the proposed Project (both direct and
 27 secondary) of \$55,500 per year (2005 dollars).

28 Annual tax revenues contributed by these workers for this peak activity year would reach
 29 \$24.1 million in federal taxes, \$5.6 million in state taxes, and \$2.4 million in local taxes.
 30 Local taxes are revenues collected by sub-state governments, occurring mainly through
 31 property taxes and including income, sales, and other major local taxes (MARAD 2000).

32 Effect multipliers are a standardized means of expressing project-related effects in terms
 33 of \$1 million of initial investment. Multipliers referenced include employment, income,
 34 and taxes (state and local). During the peak construction activity (2008), the number of
 35 jobs generated per \$1 million of initial investment averages almost 12.7, while income
 36 averages about \$703,000. Estimated tax revenues generated per \$1 million of initial
 37 investment would be about \$43,000 for state taxes and about \$25,600 for local taxes.
 38 The value of the gross regional product, that is, the difference between the value of the
 39 goods and services as inputs and the values of goods and services produced, would
 40 increase by about \$929,600 per \$1 million invested in the 5-county region.

Table 7.3-2. Proposed Project: Employment Effects of Construction by Sector in 5-County Region

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
I. TOTAL EFFECTS (DIRECT AND INDIRECT/INDUCED)														
Private														
1. Agriculture	0	0	0	1	3	0	0	0	0	0	0	0	0	0
2. Agri. Serv., Forestry, & Fish	0	0	0	1	3	1	0	0	0	0	0	0	0	0
3. Mining	0	0	0	21	49	9	1	0	1	0	0	0	8	8
4. Construction	0	0	1	364	1,322	240	46	0	21	0	0	0	123	123
5. Manufacturing	1	2	9	109	328	63	11	0	8	0	0	3	31	31
6. Transport. & Public Utilities	0	1	6	56	160	29	5	0	4	0	0	2	12	12
7. Wholesale	0	0	2	19	63	12	2	0	1	0	0	1	5	5
8. Retail Trade	1	4	21	115	313	57	11	0	6	0	0	8	30	30
9. Finance, Ins., & Real Estate	0	1	8	42	112	20	4	0	2	0	0	3	10	10
10. Services	8	26	145	283	448	77	17	3	10	0	0	53	36	36
Private Subtotal	11	34	192	1,013	2,801	507	97	4	53	0	0	70	256	256
Public														
11. Government	0	0	1	4	11	2	0	0	0	0	0	0	1	1
Total Effects (Private and Public)	11	34	192	1,017	2,812	509	98	4	53	0	0	70	257	257
II. DISTRIBUTION OF EFFECTS/MULTIPLIER														
1. Direct Effects	6	20	112	609	1,754	314	61	2	31	0	0	41	156	156
2. Indirect and Induced Effects	5	14	80	408	1,058	195	37	2	22	0	0	29	101	101
3. Total Effects	11	34	192	1,017	2,812	509	98	4	53	0	0	70	257	257
4. Multipliers (3/1)	1.7	1.7	1.7	1.7	1.6	1.6	1.6	1.7	1.7	-	-	1.7	1.7	1.7
<i>Note:</i> Because of rounding, totals may not be the sum of the additions.														
<i>Source:</i> SAIC 2005														



Source: SAIC 2006

Figure 7.3-2. Proposed Project: 5-County Region Construction Employment

7.3.1.3 No Federal Action/NEPA Baseline Construction

The No Federal Action/NEPA Baseline involves the development of backlands and transportation improvements in addition to those existing currently, but no dredging, filling, wharf construction or other related federal actions. The construction activities would take place in the 2007-2012 timeframe.

7.3.1.3.1 Employment Impacts for the No Federal Action/NEPA Baseline Construction

During the peak construction year (2008), about 2,425 total jobs could be added to the regional economy. The majority (48.2 percent) of jobs are attributable to direct employment in the construction sector of the economy although secondary jobs (indirect and induced) in the services sector also contribute (15.2 percent of the total).

The maximum increase in total employment attributable to construction activity would be about 2,425 jobs versus 2,812 for the proposed Project. This compares to a projected number of jobs in the 5-county region of 8,260,000 in the corresponding year (less than 0.1 of 1 percent).

7.3.1.3.2 Income, Tax Revenues, and Effect Multipliers for the No Federal Action/NEPA Baseline Construction

Aggregate wages and salaries in 2008 would reach \$134 million annually. This equates to an average annual wage or salary for each Project-related worker (direct and secondary) of about \$55,000 per year.

Annual tax revenues contributed by these workers for the peak construction year (2008) would reach almost \$20.6 million in federal taxes, \$4.8 million in state taxes, and \$2.1 million in local taxes. These tax revenue estimates are about 15 percent lower than for the proposed Project.

The total economic effect from the No Federal Action/NEPA Baseline construction is smaller than the proposed Project, but the effect multipliers are approximately the same. For instance, during 2008, the number of jobs generated per \$1 million of investment averages about 12.8, while income averages almost \$704,000 versus \$703,000 for the proposed Project (per \$1 million of investment). Estimated tax revenues generated would be about \$43,000 for state taxes and about \$26,000 for local taxes versus \$25,600 for the proposed Project. The gross regional product is about \$930,300 per \$1 million of initial investment.

7.3.1.4 No Project Construction

There are no construction activities associated with the No Project alternative. Therefore, there are no construction-related employment or income effects.

1 **7.3.1.5 Proposed Project Operations**

2 The long-term economic effects associated with operations are derived using the
3 MARAD model and rely on input describing the net changes (proposed Project versus
4 No Project conditions) for terminal throughput, measured in terms of TEUs transported.
5 It also utilizes input on modal split for inland transportation:

- 6 • Long Distance Truck
- 7 • Short Distance Truck
- 8 • Rail

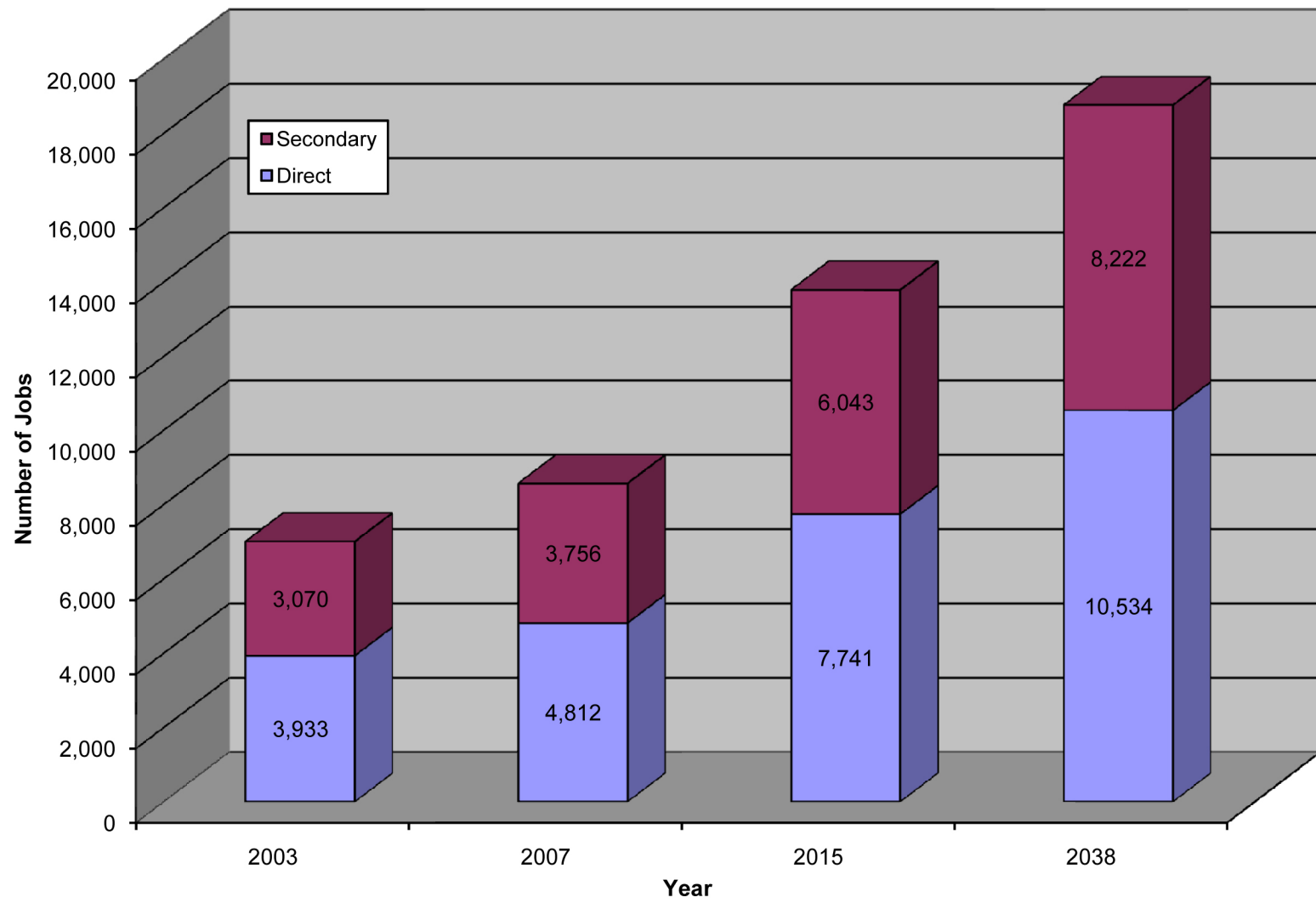
9 Employment effects in the five-county region within Southern California are reported for
10 2003, 2007, 2015, 2025 and 2038.

11 As noted in Section 7.3.1.1, the analysis of the proposed Project and alternatives in this
12 chapter focuses on expenditures from construction activities and Port Industry
13 operations, and associated jobs, output, and tax revenues. A study for the Port of Los
14 Angeles in the late 1990s (LAHD, no date) suggests five jobs are created in Related
15 User industries (port users and retail sales) for every job in the Port Industry. A more
16 recent study at the Port of Long Beach (POLB 2005) suggests a higher number, 6.8
17 jobs in Related User industries for every job in the Port Industry. Section 7.3.1.12
18 provides some information about potential employment effects from Related Users
19 that could be associated with the proposed Project or alternatives.

20 **7.3.1.5.1 Employment Impacts for Proposed Project Operations**

21 Implementation of the proposed Project could result in an increase in employment of
22 between 7,003 jobs in 2003 to 18,756 jobs in 2038. The majority of jobs are
23 attributable to direct employment, although secondary jobs (indirect and induced) make
24 a sizeable contribution as can be seen from the information depicted in Figure 7.3-3.
25 Figure 7.3-4 shows the relationship between total employment under the proposed
26 Project and No Project conditions. In the year 2038, about 13,323 of the total of 18,756
27 jobs would occur in the absence of the proposed Project. This would happen because
28 increases in throughput (TEUs) are projected based on existing capacity, even without
29 capital improvements. The employment level under No Project conditions would
30 increase in 2003 from 7,003 jobs to 13,323 jobs in 2038.

31 Most of the direct jobs generated by operations at the terminal would be within the
32 transportation and public utilities industrial sector of the regional economy. Secondary
33 jobs, however, would occur in all industrial sectors. Information contained in Table 7.3-3
34 illustrates the manner in which total jobs are distributed across industrial sectors for each
35 of the reporting periods. For the year 2038, Figure 7.3-5 illustrates that the large majority
36 of jobs (59.0 percent) are concentrated, as would be anticipated, in the transportation and
37 public utilities sector. However, noticeable shares occur in retail trade (11.7 percent),
38 services (12.1 percent), and manufacturing (6.9 percent).



Source: SAIC 2005

Figure 7.3-3. Proposed Project: 5-County Region Operations Employment

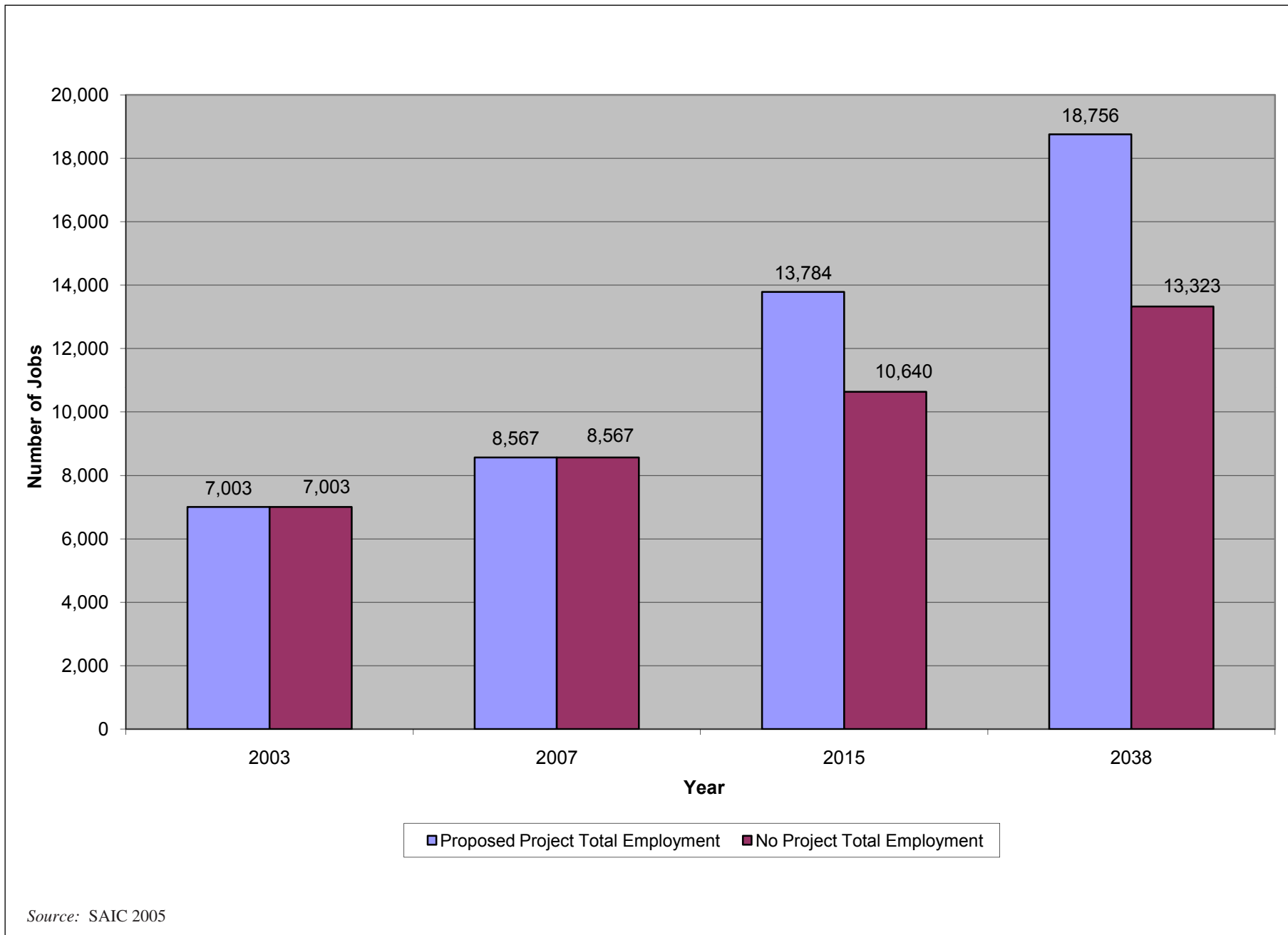


Figure 7.3-4. Proposed Project vs. No Project: 5-County Region Operations Employment

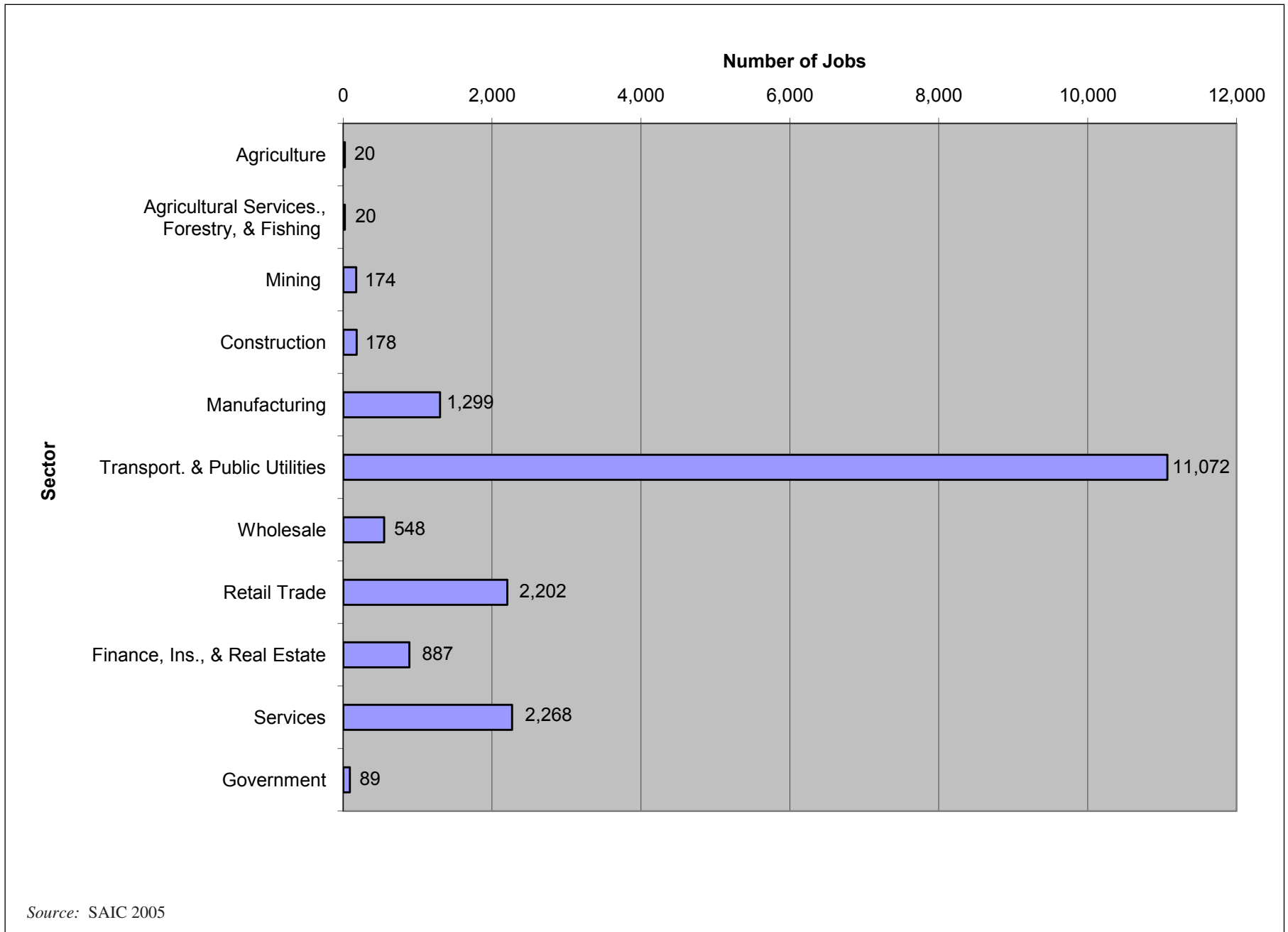


Figure 7.3-5. Proposed Project: 5-County Region Operations Employment by Sector in 2038

1

Table 7.3-3. Proposed Project: Employment Effects of Operations by Sector in 5-County Region

	2003	2007	2015	2025	2038
I. TOTAL EFFECTS BY INDUSTRIAL SECTOR					
Private					
1. Agriculture	7	9	14	20	20
2. Agri. Serv., Forestry, & Fish	8	9	15	20	20
3. Mining	65	79	127	174	174
4. Construction	67	81	130	178	178
5. Manufacturing	485	593	950	1,299	1,299
6. Transport. & Public Utilities	4,134	5,057	8,099	11,072	11,072
7. Wholesale	205	250	401	548	548
8. Retail Trade	822	1,006	1,611	2,202	2,202
9. Finance, Ins., & Real Estate	331	405	649	887	887
10. Services	847	1,036	1,659	2,268	2,268
Private Subtotal	6,970	8,527	13,655	18,668	18,668
Public					
11. Government	33	41	65	89	89
TOTAL (Private and Public)	7,003	8,567	13,720	18,756	18,756
II. DISTRIBUTION OF EFFECTS/MULTIPLIER					
1. Direct Effects	3,933	4,812	7,705	10,534	10,534
2. Indirect and Induced Effects	3,070	3,756	6,014	8,222	8,222
3. Total Effects	7,003	8,567	13,720	18,756	18,756
4. Multipliers (3/1)	1.8	1.8	1.8	1.8	1.8
<i>Note:</i> Because of rounding, totals may not be the sum of the additions.					
<i>Source:</i> SAIC 2005					

2 Effects on regional employment associated with implementation of the proposed
3 Project can be assessed through a comparison between baseline conditions and
4 proposed Project effects. The maximum net (i.e., excluding those jobs associated
5 with No Project activities) increase in employment, in the year 2038, attributable to
6 the proposed Project would be 5,433 jobs. This compares to a projected number of
7 jobs in the 5-county region of about 10.8 million in the same period. Thus, the
8 proposed Project effect (net over No Project) represents about 0.05 percent of
9 projected regional employment in the region (see Table 7.3-4).

10 7.3.1.5.2 Income, Tax Revenues, and Effect Multipliers for Proposed Project 11 Operations

12 Aggregate wages and salaries would total about \$515 million in 2007 and reach about
13 \$1,127 million annually by 2038. This equates to an average annual wage or salary
14 for each Project-related worker (both direct and secondary) of over \$60,000 per year
15 (in 2005 dollars).

Table 7.3-4. Proposed Project: Employment Impacts of Operations in 5-County Region

	2003	2007	2015	2025	2038
PROPOSED PROJECT EFFECTS					
Total Employment (Gross)		8,567	13,720	18,756	18,756
Total Employment (Net Over No Project)		0	3,080	5,433	5,433
NO PROJECT CONDITIONS					
Total Employment Under No Project	7,003	8,567	10,640	13,323	13,323
Total Employment in 5-County Region		8,070,000	9,114,000	9,988,496	10,775,064
PROPOSED PROJECT IMPACT (% OF 5-COUNTY REGION)					
Total Employment (Gross)		0.11%	0.15%	0.19%	0.17%
Total Employment (Net Over No Project)		0.00%	0.03%	0.05%	0.05%
<i>Source: SAIC 2005</i>					

1 Annual tax revenues contributed by these workers would rise from about \$106 million in
2 2007 to \$232 million in 2038. In the year 2038, the greatest share of personal taxes
3 would be federal (\$174 million), followed by state (\$41 million) and local (\$18 million).

4 The number of jobs generated per million dollars of initial expenditure averages about
5 9.4, while income averages about \$566,100, and estimated tax revenues of about \$39,400
6 for the state and about \$28,800 for local governments. The value of gross regional
7 product would increase by about \$790,000 per million expended (see Table 7.3-5).

Table 7.3-5. Proposed Project: Effects of \$1 Million Output (2005 Dollars)

Employments (jobs)	9.4
Income (\$)	566,100
State Taxes (\$)	39,400
Local Taxes (\$)	28,800
Gross Regional Product (\$)	789,700
<i>Source: SAIC 2005</i>	

8 **7.3.1.6 No Federal Action/NEPA Baseline Operations**

9 Development of additional backlands and transportation improvements is anticipated
10 under the No Federal Action/NEPA Baseline, which would enable throughput to be
11 increased at the terminal. However, compared to the proposed Project, throughput
12 would be lower.

7.3.1.6.1 Employment Impacts for the No Federal Action/NEPA Baseline Operations

Operations under the No Federal Action/NEPA Baseline could create an increase in employment between 7,003 jobs in 2003 and 13,323 jobs in 2038. The majority of jobs are attributable to direct employment, although secondary jobs (indirect and induced) contribute as can be seen from the information depicted in Figure 7.3-6. Some of this employment is attributable to operations that would most likely occur in the absence of backland improvements (i.e., under No Project conditions). With the development of additional backlands, throughput at the terminal would increase. Employment attributable solely to improvements made under the No Federal Action/NEPA Baseline also would increase over the No Project by about 1,068 jobs in 2015 as illustrated in Figure 7.3-7. In 2003 and 2038 the associated employment would be the same for the No Federal Action and the No Project.

The distribution of the additional jobs across the different industrial sectors of the economy would be similar to that anticipated under the proposed Project and is shown in Table 7.3-6.

Table 7.3-6. No Federal Action: Employment Effects of Operations By Sector in 5-County Region

	2003	2007	2015	2025	2038
I. TOTAL EFFECTS BY INDUSTRIAL SECTOR					
Private					
1. Agriculture	7	9	12	14	14
2. Agri. Serv., Forestry, & Fish	8	9	13	15	15
3. Mining	65	77	108	123	123
4. Construction	67	79	111	127	127
5. Manufacturing	485	574	811	923	923
6. Transport. & Public Utilities	4,134	4,894	6,910	7,865	7,865
7. Wholesale	205	242	342	389	389
8. Retail Trade	822	974	1,375	1,564	1,564
9. Finance, Ins., & Real Estate	331	392	553	630	630
10. Services	847	1,002	1,415	1,611	1,611
Private Subtotal	6,970	8,252	11,652	13,260	13,260
Public					
11. Government	33	39	55	63	63
TOTAL (Private and Public)	7,003	8,291	11,708	13,323	13,323
II. DISTRIBUTION OF EFFECTS/MULTIPLIER					
1. Direct Effects	3,933	4,656	6,575	7,483	7,483
2. Indirect and Induced Effects	3,070	3,634	5,132	5,841	5,841
3. Total Effects	7,003	8,291	11,707	13,323	13,323
4. Multipliers	1.8	1.8	1.8	1.8	1.8
<i>Note:</i> Because of rounding, totals may not be the sum of the additions.					
<i>Source:</i> SAIC 2005					

1 Impacts to regional employment associated with the No Federal Action/NEPA Baseline
 2 are assessed through a comparison against No Project conditions. The maximum net
 3 increase in employment (in the year 2015) attributable to the No Federal Action/NEPA
 4 Baseline would be 1,068 jobs. This compares to a projected number of jobs in the 5-
 5 county region of Southern California of 9,114,000 in 2015. Thus, the No Federal Action
 6 net impact of 1,068 jobs comprises about 0.01 percent of projected regional employment
 7 in 2015 (see Table 7.3-7).

**Table 7.3-7. No Federal Action: Employment Impacts of Operations
 in 5-County Region**

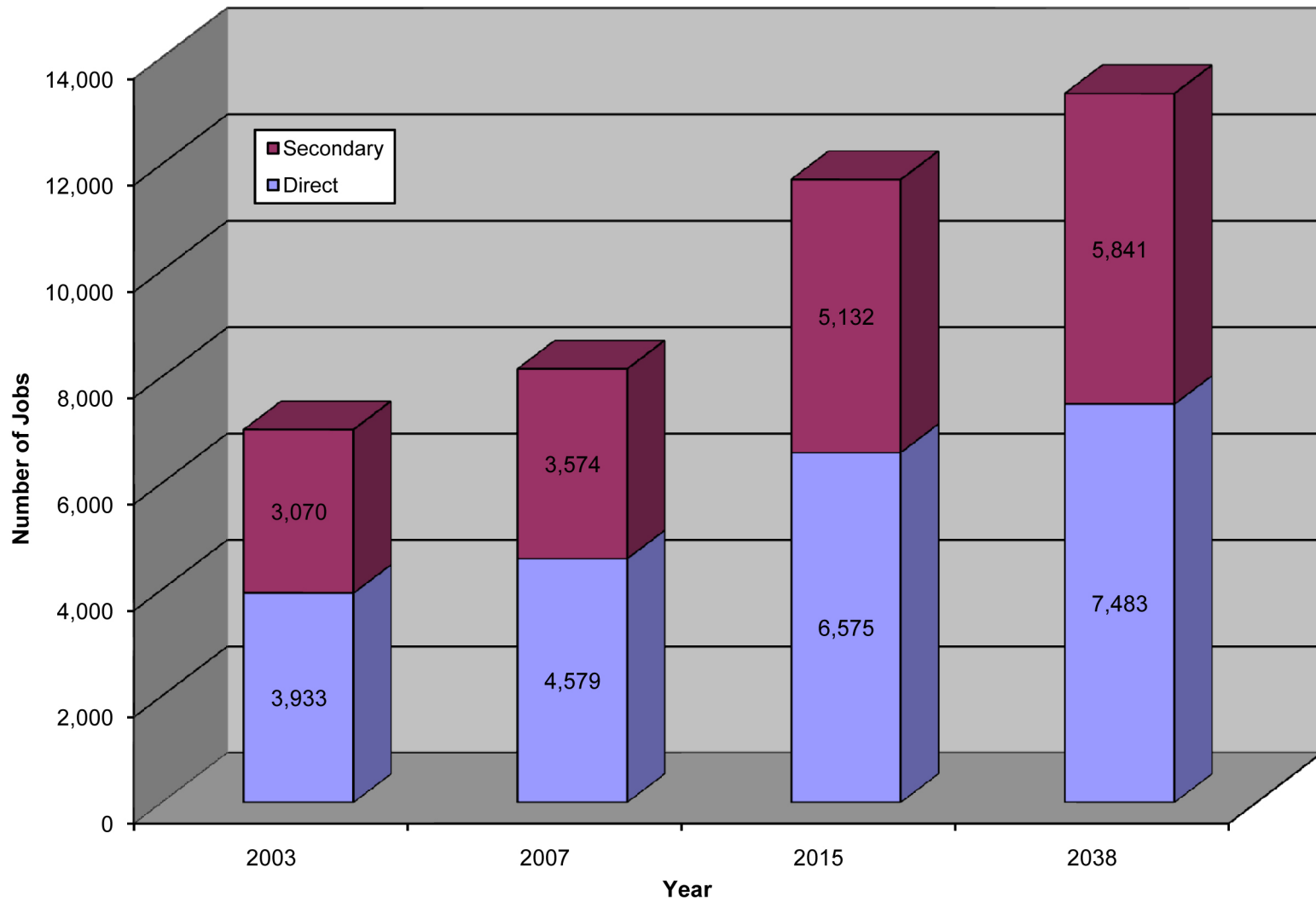
	2003	2007 ^a	2015	2025	2038
NO FEDERAL ACTION EFFECTS					
Total Employment (Gross)		8,291	11,708	13,323	13,323
Total Employment (Net)		-276	1,068	0	0
NO PROJECT CONDITIONS					
Total Employment - No Project Baseline	7,003	8,567	10,640	13,323	13,323
Total Employment in 5-County Region		8,070,000	9,114,000	9,988,496	10,775,064
NO FEDERAL ACTION IMPACT %					
Total Employment (Gross)		0.10%	0.13%	0.13%	0.13%
Total Employment (Net)		-0.01%	0.01%	0.00%	0.00%
<i>Source: SAIC 2005</i>					
a. The lower number of jobs in the No Federal Action/NEPA Baseline compared to the No Project Alternative in 2007 is due to an artifact of the method (the way interim year TEU throughputs are calculated); the interim year throughput estimate shows less cargo handled in 2007 for the No Federal Action (1,056,000 TEUs) than for the No Project (1,091,200 TEUs), but note that the No Project and the No Federal Action/NEPA Baseline have the same throughput in 2025 and 2038.					

8 **7.3.1.6.2 Income, Tax Revenues, and Effect Multipliers for the No Federal** 9 **Action/NEPA Baseline Operations**

10 As in the case of the proposed Project, aggregate wages and salaries would total about
 11 \$498 million in 2007. They would reach about \$801 million annually by 2038
 12 (compared to \$1,127 million annually under the proposed Project). This equates to an
 13 average annual wage or salary for each Project-related worker (direct and secondary) of
 14 \$60,100 per year (in 2005 constant-year dollars).

15 Annual tax revenues contributed by these workers (including income, sales, and
 16 property taxes) would rise from about \$103 million in 2007 to \$165 million in 2038.
 17 In the year 2038, the greatest share of personal taxes would be federal (\$123 million),
 18 followed by state (\$29 million) and local (\$12 million).

19 The values for the effect multipliers (employment, income, taxes [state and local], and
 20 added value effects per \$1 million of output) would be identical to those experienced
 21 under the proposed Project as shown in Table 7.3-3.



Source: SAIC 2005

Figure 7.3-6. No Federal Action Baseline: 5-County Region Operations Employment

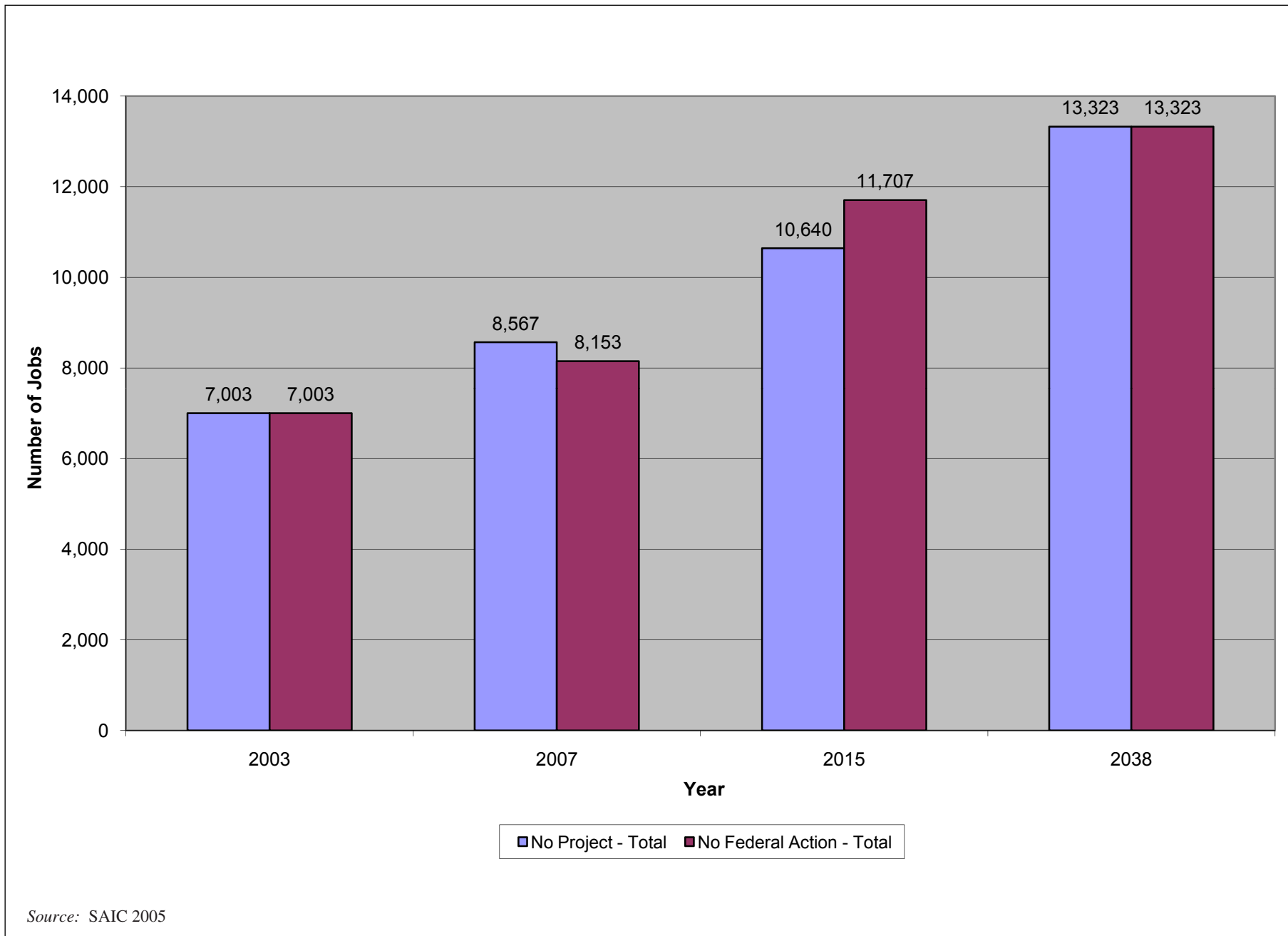


Figure 7.3-7. No Federal Action vs. No Project: 5-County Region Operations Employment

7.3.1.7 No Project Operations

As can be seen from the information contained in Table 7.3-8, total employment (direct and secondary) associated with operation of the terminal is expected to vary from 8,567 in 2007 to 13,323 in 2038. The employment in 2038 contributes approximately 0.13 percent of projected regional employment in 2038.

**Table 7.3-8. No Project: Employment Effects of Operations
By Sector in 5-County Region**

	2003	2007	2015	2025	2038
I. TOTAL EFFECTS BY INDUSTRIAL SECTOR					
Private					
1. Agriculture	7	9	11	14	14
2. Agri. Serv., Forestry, & Fish	8	9	12	15	15
3. Mining	65	79	98	123	123
4. Construction	67	81	101	127	127
5. Manufacturing	485	593	737	923	923
6. Transport. & Public Utilities	4,134	5,057	6,281	7,865	7,865
7. Wholesale	205	250	311	389	389
8. Retail Trade	822	1,006	1,249	1,564	1,564
9. Finance, Ins., & Real Estate	331	405	503	630	630
10. Services	847	1,036	1,286	1,611	1,611
Private Subtotal	6,970	8,527	10,590	13,260	13,260
Public					
11. Government	33	41	50	63	63
TOTAL (Private and Public)	7,003	8,567	10,640	13,323	13,323
II. DISTRIBUTION OF EFFECTS/MULTIPLIER					
1. Direct Effects	3,933	4,812	5,976	7,483	7,483
2. Indirect and Induced Effects	3,070	3,756	4,664	5,841	5,841
3. Total Effects	7,003	8,567	10,640	13,323	13,323
4. Multipliers	1.8	1.8	1.8	1.8	1.8
<i>Note:</i> Because of rounding, totals may not be the sum of the additions.					
<i>Source:</i> SAIC 2005					

7.3.1.8 Reduced Project – Project Without 10-Acre Fill Construction and Operation

For the Project Without 10-Acre Fill Alternative, construction activities would be reduced compared to the proposed Project but throughput would be the same as the proposed Project (see Section 2.6.1.2 for more information). Therefore, economic benefits such as jobs and income from construction would be reduced but the economic benefits of operations would be similar to the proposed Project, as described above.

1 **7.3.1.9 Reduced Wharf Construction and Operation**

2 For the Reduced Wharf Alternative, both construction activities and operations would
3 be less than for the proposed Project (see Section 2.6.1.3 for more information) and the
4 associated economic benefits would therefore be less. Annual TEU's beginning in
5 2025 for the Reduced Wharf Alternative would represent 85.2 percent of TEUs in the
6 proposed Project. Therefore, economic effects during both construction and operations
7 would be similar to those for the project, as described above, but reduced in magnitude.

8 **7.3.1.10 Omni Terminal Construction and Operation**

9 For the Omni Terminal Alternative, construction activities would be less than for the
10 proposed Project and the resulting economic benefits from construction would be less
11 than for the proposed Project. TEU throughput beginning in 2025 for the Omni
12 Terminal would represent 23.7 percent of the TEUs for the proposed Project in 2038
13 but additional types of cargo would be transported via the Omni Terminal including
14 autos and break-bulk commodities which would not be transported under the
15 proposed Project (see Section 2.6.1.4 for more information). The associated
16 economic benefits would therefore differ from the proposed Project and would be
17 less for container transport, though they would be made greater than for the proposed
18 Project for operations associated with auto and break bulk transport.

19 **7.3.1.11 Landside Terminal Improvements Construction and**
20 **Operation**

21 For the Landside Terminal Improvements Alternative, construction activities would be
22 less than for the proposed Project and the resulting economic benefits from construction
23 would be less than the proposed Project. TEU throughput in 2038 for the Landside
24 Terminal Improvements Alternative represents 71 percent of the TEU throughput for the
25 proposed Project in 2038. The associated economic benefits from operations are similar
26 to those for the project, as described above, but reduced in magnitude.

27 **7.3.1.12 Other Economic Benefits**

28 The foregoing analysis of the proposed Project and alternatives is focused on
29 expenditures from construction activities and Port Industry operations, and associated
30 jobs, output, and tax revenues. The Port of Los Angeles MARAD Port Kit was used
31 to estimate economic effects for the Berths 136-147 Terminal EIS/EIR and
32 specifically, Port Industry benefits related to cargo movement and handling and
33 separately, economic effects from construction and capital investment related to the
34 proposed Project. Economic activities (expenditures, jobs, and tax revenues)
35 associated with Related Users, including port users and retail sales (as defined in
36 Section 7.3.1.1), were not included in the foregoing analysis. Examples of port users
37 are local manufacturers who ship their products to foreign markets, local wholesalers
38 and distributors who receive foreign goods for resale or final assembly (such as in
39 warehouse customization of automobiles with accessories or options), petroleum
40 producers/crude processors, and import retailers.

1 When compared to port industries, related users typically represent a much larger
2 contribution to the economy. A study for the Port of Los Angeles in the late 1990s
3 (LAHD, no date) suggests five jobs are created in port users and retail sales in the 5-
4 county region for every job attributable to the Port Industry (direct or secondary). A
5 more recent study at the Port of Long Beach (POLB 2005) suggests a higher number,
6 6.7 jobs in port users and retail sales industries in the 5-county region for every job
7 attributable to the Port Industry. Other port economic studies have identified
8 different ratios depending on how analysts define the various categories and what
9 activities take place at an individual port.

10 If the five-to-one ratio for the Port of Los Angeles from the late 1990s holds for the
11 proposed Project, the 3,080 jobs (net of proposed Project over No Project
12 Alternative) in 2015 would imply an additional 15,400 jobs among port users and
13 retail sales, and the indirect and induced effect from those industries. If the 6.7-to-
14 one ratio from the more recent Port of Long Beach study holds, the net gain of 3,080
15 jobs in 2015 would imply an additional 20,636 jobs in the five-county region.
16 Corresponding figures for 2025-2038, for which the net job gain of the proposed
17 Project over the No Project Alternative is 5,433, would be 27,165 additional jobs
18 among related users, retail sales, and their indirect and induced effects, if the five-to-
19 one ratio holds, or 36,401 jobs if the 6.7-to-one ratio holds.

20 It is important to note that while Port Industry activities are clearly dependent on the
21 port, as they involve handling port cargo, jobs in the port user and retail sales sectors
22 would probably continue to exist with or without the port so long as domestic
23 consumption remains the same (although some of the jobs may move from the 5-
24 county region). This is the reason for distinguishing “port-dependent” industries (or
25 Port Industries) from “port-related” industries (Related Users) (POLB 2005).

26 **7.3.1.13 Summary**

27 A comparison of employment effects for terminal operations among the alternatives
28 is presented in Table 7.3-9. Net changes in employment attributable to terminal
29 operations under the proposed Project could reach 5,433 jobs annually over No
30 Project conditions by the year 2038. (These changes focus on Port Industry
31 employment; Section 7.3.1.12 provides a summary of potential impacts from related
32 users.) During construction activities, the maximum annual employment effect of the
33 proposed Project would reach about 2,800 jobs.

34 When these Project-induced effects are compared to regional employment levels
35 expected to occur at the corresponding times, their contribution accounts for less than
36 0.1 percent. A large share of the jobs created through implementation of the proposed
37 Project falls within the “logistics” sector of the economy. Such jobs are relatively well
38 paying and provide substitutes for jobs being consistently lost from the manufacturing
39 sector since like manufacturing sector jobs, they pay relatively well and are relatively
40 high-skill blue-collar jobs. The average annual pay for workers related to the proposed
41 Project is relatively high compared to average pay for the region. Average annual pay
42 for direct, indirect, and induced jobs related to construction of the proposed Project is
43 estimated at about \$55,500, and average pay for direct, indirect, and induced operation
44 jobs is estimated at over \$60,000 (2005 dollars). For comparison, the average wage per

Table 7.3-9. Comparison of Alternatives: Employment Effects in 5-County Region.

	2003	2015	2038	Percent of Proposed Project (2038)	2005-2038 Max Annual Cargo in TEUs
No Federal Action/NEPA Baseline	7,003	11,708	13,323	71.0%	1,697,000
Proposed Project	7,003	13,720	18,756	100.0%	2,389,000
Alternative 1: No Project	7,003	10,640	13,323	71.0%	1,697,000
Alternative 2: Reduced Project	7,003	13,720	18,756	100.0%	2,389,000
Alternative 3: Reduced Wharf	7,003	11,708	15,977	85.2%	2,035,000
Alternative 4: OMNI Terminal	7,003	3,919	4,441	23.7%	565,700
Alternative 5: Landside Terminal Improvements	7,003	10,640	13,323	71.0%	1,697,000

Note: Omni Terminal Alternative employment shown in table reflects only container shipments. Includes direct, induced and indirect employment.

1 job in Los Angeles County in 2005 was \$46,228 (BEA 2007). It is also expected that
2 additional job creation would accompany a number of off-Port infrastructural
3 improvements, although the number is likely to be relatively small.

4 Given the highly integrated nature of the Southern California economy, and the
5 prevalence of cross-county and inter-community commuting by workers between their
6 place of work and place of residence, it is unlikely that a substantial numbers of
7 workers would change their place of residence in response to the new Port-related
8 employment opportunities. Such potential residential relocation is especially unlikely
9 given that about half the new jobs created are secondary and, by their nature,
10 distributed throughout the five-county region. Thus, in the absence of changes in place
11 of residence by persons likely to fill the job opportunities, distributional effects to
12 population and, thus, housing assets, are not likely to occur. Accordingly, negligible
13 impacts to population, housing, and community services and infrastructure are
14 anticipated. Although it is unlikely that a substantial number of workers would change
15 their place of residence as a result of the proposed Project, housing affordability for
16 Port workers was identified as a concern in public comments and is discussed below.

17 In 2003, the CEQA Baseline year, the median housing price in Los Angeles County was
18 \$375,000 (see Table 7.2-11). By comparison, median housing prices in Ventura County
19 and Orange County were higher, whereas those in Riverside and San Bernardino counties
20 were lower. Home prices in communities near the Port vary widely (see Table 7.2-12).
21 Housing prices in Wilmington are considerably less than the average for Los Angeles
22 County, whereas those in San Pedro are close to the Los Angeles County average. With
23 the percentage of renter-occupied housing units in San Pedro and Wilmington over 60
24 percent in 2000, renters in these two communities comprise a greater share of the market
25 than in Los Angeles County at 52 percent (see Table 7.2-10).

26 The estimated average annual income for Port operations workers associated with the
27 TraPac terminal (i.e., including direct, indirect, and induced Port Industry jobs located
28 at the Port and in the region) was over \$60,000 (2005 dollars). The average income
29 would vary depending on industrial sector and occupation. For example, the estimated
30 average income for workers in transportation and utilities, the sector comprising the

1 largest number of workers, is approximately \$63,000. By comparison, the model
2 suggests workers in the retail trade and services sectors would earn approximately
3 \$29,000 and \$40,000 per year, respectively. Total household income would be greater
4 for Port workers whose households have more than one wage earner.

5 The U.S. Department of Housing and Urban Development calls housing costs - rent
6 plus basic utilities or mortgage, tax, and insurance payments - affordable when they
7 consume no more than 30 percent of a household's income. Based on this
8 percentage, a \$60,000 annual household income would be able to support about
9 \$1,800 per month in housing costs, which is less than enough to pay for the median
10 priced \$375,000 home. Assuming a 10 percent down-payment and 6 percent interest
11 rate, the monthly mortgage payment alone, without inclusion of utilities, tax, and
12 insurance payments, would be \$2,023 per month. However, taking into account the
13 fact that the annual income of over \$60,000 excludes income from any other workers
14 in the household, many Port workers earning \$60,000 would have household earnings
15 of greater than the median household income in Los Angeles County (\$48,248 in
16 2005) (Census Bureau 2007), indicating that Port worker households may generally
17 be more able to afford housing than the median household in Los Angeles County.

18 **7.3.2 Project Effects Related to Environmental** 19 **Quality**

20 **7.3.2.1 Methodology**

21 Scoping comments on the Berths 136-147 Terminal EIS/EIR identified community
22 concerns about the proposed Project's impacts on neighborhoods adjacent to the Port.
23 For this reason and because of the TraPac Terminal's proximity to the Wilmington
24 Community, the analysis of proposed Project effects for Socioeconomics examines
25 whether there would be changes in environmental quality that would affect the
26 Wilmington Community.

27 Section 7.2.2 described existing conditions related to environmental quality. This
28 included describing the regulatory setting in which, under California Redevelopment
29 Law, a "blighted area" refers to an area officially designated for redevelopment by a
30 public agency based on physical and economic conditions. Only one such area has
31 been designated by the City of Los Angeles in Wilmington to address blight, the
32 redevelopment area containing the Wilmington Industrial Park. The area is located
33 approximately ½ mile east of the TraPac Terminal and is generally bordered by
34 Anaheim Street on the north, Harry Bridges Boulevard on the south, Alameda Street
35 on the east and Broad Avenue on the west. It was previously occupied by oil
36 extraction and associated land uses, small residential lots and other industrial and
37 mixed uses. Section 7.2.2 also described other conditions which, independent of any
38 public agency designation, the community may perceive as reducing environmental
39 quality or causing urban decay because of an area being physically degraded or
40 deteriorated or other types of physical, social, and economic conditions being visible
41 to or experienced by the public. Off-site container storage, truck parking, and truck
42 traffic within residential neighborhoods are examples of such physical conditions.

1 The effects discussion for environmental quality identifies proposed Project elements
2 that might potentially affect conditions related to container storage, such as changes in
3 backland, access to on-dock rail facilities, and other factors, in a way that could
4 contribute to deterioration of environmental quality in adjacent neighborhoods. It also
5 discusses elements of the proposed Project that could affect truck transport within
6 neighborhoods in the vicinity of the terminal, including proposed transportation system
7 improvements. In addition, the discussion addresses potential impacts of the proposed
8 Project on existing property value trends in areas near the Port.

9 **7.3.2.2 Proposed Project**

10 **Container Storage**

11 At any one time, approximately 8,000 containers are presently stored at the TraPac
12 Terminal. In addition, another 10 to 20 percent of the containers, typically those waiting
13 for export, are located in off-dock rail yards (Union Pacific and BNSF). The proposed
14 Project would add approximately 38 percent to the amount of terminal acreage (e.g.,
15 backlands available for container storage and other functions that would increase cargo
16 handling efficiency) over Phases I and II, increasing it by 57 acres from 176 to 233 acres
17 by 2015, and by another 10 acres to 243 acres after 2015. The leasing company hires
18 these facilities to store their containers, and they are not associated with any particular
19 terminal.

20 This increase in acreage involves the redevelopment of vacant and underutilized land
21 and, in Phase II, the development of filled-in land in the Northwest Slip as backlands.
22 The increased acreage is located entirely within Port boundaries and is well within
23 industrial areas at the Port. The increased area for container storage under the
24 proposed Project is consistent with recent controls and limitations implemented by
25 the City of Los Angeles on open storage, including container storage, in Wilmington.
26 The increase in acreage, and the related increased efficiencies in handling of cargo
27 on-site (e.g., new and better cranes) and construction of the new on-dock rail, would
28 reduce the amount of time needed to move containers through the TraPac Terminal.
29 Thus, the proposed Project would not have direct impacts on community
30 environmental quality as it relates to container storage.

31 While TraPac does not operate any satellite container storage facilities, there are
32 container storage facilities that are owned by trucking/container leasing companies.
33 These offsite facilities can be small or large, and are sometimes located in close
34 proximity to residential areas due to the proximity of industrial and residential zoning
35 and land uses in Wilmington. The Ports of Los Angeles and Long Beach contribute
36 indirectly to the proliferation and use of offsite container storage facilities, and the
37 proposed Project would also indirectly contribute (although the addition of expanded
38 and reconfigured backlands to the Berths 136-147 Terminal would provide additional on-
39 site container storage capacity and minimize the contribution of the proposed Project to
40 the demand for offsite container storage). LAHD has no authority to regulate the
41 locations of these facilities; however, recent controls and limitations implemented by
42 the City of Los Angeles on container storage in Wilmington do apply to these offsite
43 facilities. As explained in Section 7.2.2.3, these regulations place additional controls
44 on existing storage facilities such as setbacks, landscaped buffers, storage and stacking

1 height, and fencing and screening requirements, and also prohibit new container storage
2 yards in some areas zoned Light Industrial or Limited Industrial.

3 Because the proposed Project is consistent with existing and projected future trends of
4 increased goods movement and trade, and because the proposed expansion of backlands
5 for container storage would increase efficiency of container handling, the backlands
6 expansion would not create a “remnant” industrial landscape of the type that sometimes
7 contributes to blighted urban conditions.

8 **Truck Use in Neighborhoods**

9 Truck drivers and truck owner-operators transport the container cargo that passes through
10 the TraPac Terminal. TraPac does not own or operate its own trucking operations.
11 Private trucking operators currently employ approximately 20,000 truckers serving the
12 Ports of Los Angeles and Long Beach. With implementation of the proposed Project and
13 construction of on-dock rail facilities, a reduced percentage of inland transport would
14 occur via truck starting in 2015. This reduction is evidenced by comparing the number of
15 truck trips in the proposed Project to the No Project Alternative: truck trips would decline
16 by 14 percent in 2015 and by 4 percent in 2025-2038. However, compared to current
17 conditions, truck trips would increase. Because of projected throughput increases over
18 time, annual truck trips would increase from 1,197,589 per year in 2003 to 1,607,093 in
19 2015 and 1,880,401 in 2025 through 2038.

20 The proposed Project includes transportation improvements that would reduce
21 congestion and improve traffic safety in areas of Wilmington. These improvements
22 would help to “channelize” the north-south movement of trucks serving the terminal
23 and help to reduce truck movements through Wilmington neighborhoods. Harry
24 Bridges Boulevard would be redesigned to facilitate traffic flow in and out of Port
25 terminals. In addition, the removal of north-south streets (e.g., Wilmington Boulevard)
26 between “C” Street and Harry Bridges Boulevard, except King Avenue, would reduce
27 truck travel on neighborhood streets, focusing truck movements onto Harry Bridges
28 Boulevard, Alameda Street, and the 110 Freeway. This would also serve to reduce the
29 incidence of truck parking in residential neighborhoods. The construction of the
30 landscaped buffer between Harry Bridges Boulevard and “C” Street from Figueroa
31 Street to Lagoon Avenue – including conceptual elements such as the regrading of the
32 buffer area to add rolling hills and other topography, stepped concrete walls separating
33 the buffer area and residential neighborhood to the north from Harry Bridges
34 Boulevard to the south, and landscaping, trees, play spaces, and other amenities –
35 would further reduce the impacts of truck traffic in the Wilmington neighborhood.

36 As noted in Section 7.2.2.4 under the heading “Truck Use of Residential
37 Neighborhoods in Wilmington,” a field survey indicated that some trucks continue to
38 drive through residential areas in violation of posted prohibition signs. The survey
39 indicated that one reason for this may be a lack of posted truck route and alternative
40 truck route signs. For this reason, the Port would implement **Mitigation Measure**
41 **LU-1** (described in Section 3.8 Land Use) to put up fixed signage in Wilmington
42 directing truck drivers to designated and alternative truck routes. In addition, the Port
43 would implement **Mitigation Measure LU-2**, under which Port police will increase
44 enforcement of the prohibition against truck traffic in residential neighborhoods

1 within Wilmington. These measures will be included and tracked in the Mitigation
2 Monitoring and Reporting Plan (MMRP).

3 Rail trips would increase compared to existing conditions (by 48 percent in 2015 and 96
4 percent in 2025-2038). However, the project would not result in the construction of new
5 rail lines or yards outside of Port property. The new location for the Pier A rail yard is
6 currently used for automobile storage for import/export, and is surrounded by heavy and
7 light industrial uses (primarily the Los Angeles Harbor Industrial Center Redevelopment
8 Project Area). Because the relocation of the Pier A rail yard would not create a new
9 industrial land use and because the adjacent area is also industrial, and because the
10 proposed Project would not result in construction of new rail lines, the proposed Project
11 would not have adverse impacts on neighborhoods from increased rail usage.

12 **Property Value Trends**

13 Proposed Project facilities would be designed and built to comply with existing
14 municipal codes and standards. The proposed Project would not cause building code
15 violations, dilapidation and deterioration, defective design or physical construction, faulty
16 or inadequate utilities, or other similar factors. The proposed Project would enhance the
17 productivity of the TraPac Terminal by expanding backland areas, upgrading and
18 replacing cranes, adding wharves, and other new facilities. The proposed Project would
19 use required design standards, and facilities would be sized given present standards,
20 market conditions, and expected growth.

21 While proximity of the Port may historically have led to generally lower residential
22 property values in communities nearest the Port compared to more affluent
23 communities in southern Los Angeles County such as Redondo Beach and Rancho
24 Palos Verdes, residential property values in communities near the Port have grown in
25 recent years and do not exhibit depreciated or stagnant values. It is not anticipated that
26 the proposed Project would change residential property trends in the areas immediately
27 adjacent to the Port. Median home prices increased at high rates in a number of
28 communities in the South Bay area of Los Angeles County from 1997 to 2002. During
29 that period, Wilmington, San Pedro, Carson, Hawthorne, Hermosa Beach, Lawndale,
30 and Lomita exhibited average annual growth rates in excess of 10 percent. Home
31 prices increased in all communities regardless of price levels at the beginning of the
32 period. Those communities with the highest growth rates were communities with
33 among the lowest home prices. As Table 7.2-12 shows, median home prices in
34 Wilmington increased from \$103,500 in 1997 to \$196,000 in 2002 (an average annual
35 rate of 13.6 percent) and those in San Pedro rose from \$164,000 to \$320,000 over the
36 same time period (an average annual rate of 14.3 percent). Looking at the timeframe
37 from 1993 to 2004, median single family residence sales prices over the period for
38 homes located in the zip code areas in the immediate vicinity of the Port rose on
39 average by between 8 and 9 percent annually. The first five years of this period
40 showed modest and negative growth. The latter 5 years, however, exhibited rapid
41 growth with home prices more than doubling and registering average annual rates of
42 change in excess of 20 percent (see Section 7.2.1.3 Housing).

43 The proposed Project would increase the number of direct, indirect, and induced jobs and
44 income in the region and result in other economic benefits. While the economic impacts

1 are beneficial, the increase in jobs attributable to the proposed Project would be relatively
2 small compared to current and projected future employment in the larger economic
3 region (as noted in Section 7.3.1). Thus, the Project would also not likely contribute
4 substantially to increased property values due to its direct or indirect economic impacts.

5 **7.3.2.3 No Federal Action/NEPA Baseline**

6 The No Federal Action/NEPA Baseline would include construction and operation of
7 all upland elements (i.e., on existing lands) for backlands and other purposes (e.g.,
8 construction of the ICTF), but would not include waterside improvements such as
9 dredging, filling, or wharf construction and would not include replacement of cranes.
10 Terminal acreage would increase from 176 acres in 2003 to 233 acres in 2015 and
11 remain at that level through 2038. Projected throughput would be 1,491,200 TEUs in
12 2015 and 1,697,000 TEUs in 2025. The increased acreage for backlands would be
13 located entirely within Port boundaries and would be well within industrial areas at
14 the Port. The increased area for container storage would be consistent with recent
15 controls and limitations implemented by the City of Los Angeles on open storage,
16 including container storage, in Wilmington.

17 Annual truck trips would increase compared to existing conditions. However, the ICTF
18 would reduce the percentage of truck trips that would otherwise occur (compared to the
19 No Project Alternative). Annual truck trips would increase from 1,197,589 in 2003 to
20 1,291,247 in 2015 and decrease to 1,200,205 in 2025. Rail trips would also increase
21 compared to existing conditions, but would be lower than under the No Project
22 Alternative. The creation of new backland without new wharves would result in a berth-
23 constrained situation rather than a backland-constrained situation (leading to greater
24 pressure on vessel queuing versus container storage capacity). Several roadway-related
25 improvements, plus a new landscaped buffer with street closures between Harry Bridges
26 Boulevard and “C” Street (except King Avenue), would help to channelize north-south
27 truck traffic going to and from the Port, a benefit to Wilmington neighborhoods. In
28 consideration of these factors, the No Federal Action/NEPA Baseline would not change
29 existing property value trends in Wilmington.

30 **7.3.2.4 No Project**

31 The No Project Alternative allows for growth at the proposed Project site that would
32 occur even without improvements constructed at the TraPac facility. Throughput would
33 increase to 1,355,200 TEUs in 2015 and 1,697,000 TEUs in 2025. Increases in
34 throughput would be accommodated by existing wharf, backland, and TraPac facility
35 capacities and other efficiency improvements that would not require new facilities (e.g.,
36 the PierPass program implemented in 2005). Both truck and rail trips would increase
37 compared to existing conditions: by 2025, truck trips would increase by 64 percent and
38 rail trips would increase by 90 percent. A greater percentage of goods would be
39 transported by truck compared to the proposed Project because this alternative would not
40 include the new rail yard. Because the No Project Alternative would not entail roadway
41 improvements or the landscaped buffer north of Harry Bridges Boulevard, the spatial
42 distribution of truck traffic would likely be similar to under existing conditions. Thus, the
43 No Project Alternative would not change existing property value trends in Wilmington.

1 **7.3.2.5 Reduced Project – Project Without 10-Acre Fill**

2 This alternative is identical to the proposed Project except that it would not entail the
3 10-acre fill in the Northwest Slip (and therefore the construction of backlands there) or
4 the adjacent 400-foot wharf. Compared to the proposed Project, operational efficiency
5 would be reduced due to the decreased amount of backlands. Backlands for container
6 storage would increase from 176 to 233 acres by 2015; the new backlands would be
7 well within industrial areas on Port property, and increased area for container storage
8 would be consistent with recent Los Angeles municipal guidelines for the Wilmington
9 neighborhood. Truck trips and rail trips in this alternative would be the same as under
10 the proposed Project. The effects of this alternative on environmental quality in
11 neighborhoods, including container storage, truck and rail use of neighborhoods, and
12 property values, would be identical to the proposed Project.

13 **7.3.2.6 Reduced Wharf**

14 This alternative is similar to the proposed Project but does not include the 10-acre fill on
15 the Northwest Slip, the adjacent 400-foot wharf, or the new 705-foot wharf along Berths
16 145-147. Backlands for container storage would increase from 176 to 233 acres by 2015;
17 the new backlands would be well within industrial areas on Port property, and increased
18 area for container storage would be consistent with recent Los Angeles municipal
19 guidelines for the Wilmington neighborhood. Truck trips and rail trips in this alternative
20 would increase compared to existing conditions (by 2025, truck trips would increase by
21 22 percent and rail trips would increase by 90 percent). This alternative would not have
22 significant adverse effects on environmental quality in neighborhoods, including
23 container storage, truck and rail use of neighborhoods, or property values.

24 **7.3.2.7 Omni Terminal**

25 This alternative would convert the project area into an omni cargo handling terminal,
26 and would not result in fill or new backlands on the Northwest Slip, or new wharf
27 construction or change in existing cranes. There would be no new on-dock rail yard,
28 and the Pier A rail yard would not be relocated. Backlands for container storage
29 would increase from 176 to 233 acres by 2015; the new backlands would be well
30 within industrial areas on Port property, and increased area for container storage
31 would be consistent with recent Los Angeles municipal guidelines for the
32 Wilmington neighborhood. Because only one-third of the terminal would be used for
33 container transport, truck trips and rail trips in this alternative would decrease
34 compared to existing conditions (e.g., by 2025, truck trips including those to
35 transport containers, break-bulk, and automobiles would decrease by 98 percent and
36 rail trips would decrease by 37 percent). Therefore, this alternative would not have
37 significant adverse effects on environmental quality in neighborhoods, including
38 container storage, truck and rail use of neighborhoods, or property values.

7.3.2.8 Landside Terminal Improvements

This alternative would include all of the upland elements of the proposed Project, but would not include waterside improvements such as dredging, filling, or wharf construction and would not include replacement of cranes. All mitigation measures of the proposed Project, except for mitigations relating to dredging and new cranes, would apply. Terminal acreage would increase from 176 acres in 2003 to 190 acres in 2015 and remain at that level through 2038. Projected throughput would be 1,355,200 TEUs in 2015 and 1,697,000 TEUs for 2025 through 2038. The increased acreage for backlands would be located entirely within Port boundaries and would be well within industrial areas at the Port. The increased area for container storage would be consistent with recent controls and limitations implemented by the City of Los Angeles on open storage, including container storage, in Wilmington.

Annual truck trips would increase compared to existing conditions. However, the ICTF would reduce the percentage of truck trips that would otherwise occur (compared to the No Project Alternative). Annual truck trips would increase from 1,197,589 in 2003 to 1,355,200 in 2015 and 1,697,000 in 2025. Rail trips would also increase compared to existing conditions, but would be lower than under the No Project Alternative. The creation of new backland without new wharves would result in a berth-constrained situation rather than a backland-constrained situation (leading to greater pressure on vessel queuing versus container storage capacity). Several roadway-related improvements, plus a new landscaped buffer with street closures between Harry Bridges Boulevard and “C” Street (except King Avenue), would help to channelize north-south truck traffic going to and from the Port, a benefit to Wilmington neighborhoods. In consideration of these factors, the No Federal Action/NEPA Baseline would not change existing property value trends in Wilmington.

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