

**Addendum to the San Pedro Waterfront Project Final EIR/EIS
Warehouse Nos. 9 and 10, Crafted at the Port of Los Angeles**



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November 2011

Transmittal No. 5

1.0 INTRODUCTION

1.1 Overview

This document analyzes proposed modifications to the San Pedro Waterfront Project. The San Pedro Waterfront Final EIR (hereinafter the "EIR") presumed that Warehouses Nos. 9 and 10 and associated backland areas would be adapted for low-intensity community serving commercial or educational reuse. Since the certification of the EIR, minor modifications in the overall design of the Warehouse Nos. 9 and 10 component of the San Pedro Waterfront Project have been proposed. The modified project would involve the development of a marketplace, Crafted at the Port of Los Angeles, for handmade goods with up to 500 vendor stalls and would attract members of the local community, cruise ship passengers and visitors from throughout the region, resulting in a higher number of visitors and workers than the originally proposed low-intensity uses. The LAHD has prepared this addendum to the EIR to adequately assess the impacts associated with the proposed modifications.

1.2 CEQA and the Purpose of an Addendum

The LAHD has prepared this Addendum to the EIR to assess the impacts associated with the proposed project changes since the Final EIR was certified in September 2009. According to Section 15164(a) of the State CEQA Guidelines, the lead agency or the responsible agency will prepare an addendum to a previously certified EIR if changes or additions are necessary, but none of the conditions described in Section 15162 calling for the preparation of a subsequent or supplemental EIR have occurred. An addendum need not be circulated for public review but can be included in or attached to the EIR. The decision-making body considers the addendum with the EIR prior to making a decision on the project.

Section 15162 of the State CEQA Guidelines states that, for a project covered by a certified EIR, preparation of a subsequent or supplemental EIR rather than an addendum is required only if one or more of the following conditions occur:

- 1) Substantial changes are proposed in the project that will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.
- 2) Substantial changes occur with respect to the circumstances under which the project is undertaken that will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.
- 3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following:
 - a) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
 - b) Significant effects previously examined will be substantially more severe than shown in the previous EIR;

- c) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
- d) Mitigation measures or alternatives that are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

1.3 Scope and Content of Addendum

This Addendum has been prepared in accordance with the requirements of the California Environmental Quality Act (CEQA) (Public Resources Code [PRC] 21000 et seq.), and the State CEQA Guidelines (California Administrative Code [CAC] 1500 et seq.). This Addendum describes the affected environmental resources and evaluates the potential changes in the impacts that were previously described in the 2009 Final EIR with respect to building and operating the San Pedro Waterfront Project. The criteria for determining the significance of environmental impacts in this Addendum analysis are the same as those contained within the certified EIR. The threshold of significance for a given environmental effect is the level at which the LAHD finds a potential effect of the proposed project to be significant. Threshold of significance can be defined as a “quantitative or qualitative standard, or set of criteria, pursuant to which significance of a given environmental effect may be determined” (CEQA Guidelines, Section 15064.7 [a]). Except as noted in particular sections of the document, the Port has adopted the City of Los Angeles CEQA Thresholds for purposes of this addendum, although some criteria were adapted to the specific circumstances of this project.

The analysis in this addendum focuses on the changes to the impacts that would potentially occur as a result of project modifications. The scope of analysis contained within this addendum addresses each of the environmental resource areas that were previously analyzed in the certified EIR. The following issues are therefore evaluated in this addendum:

- Aesthetics
- Air Quality and Meteorology
- Biological Resources
- Cultural Resources
- Geology
- Groundwater and Soils
- Hazards and Hazardous Materials
- Land Use and Planning
- Noise
- Recreation
- Transportation and Circulation (Ground)
- Transportation and Navigation (Marine)
- Utilities and Public Services
- Water Quality

1.4 Previous Environmental Documents Incorporated by Reference

Consistent with Section 15150 of the California State CEQA Guidelines, the following documents were used in preparation of this addendum and are incorporated herein by reference:

- Crafted at the Port of Los Angeles, 2011, September 4. Statement of Interest for Warehouse Nos. 9 and 10, Appendix A, Traffic Forecast for CEQA Review.
- Port of Los Angeles, Planning and Economic Division. 2010, November 16. Warehouse Nos. 9 and 10, Request for Interest.
- Port of Los Angeles. 2009, September. San Pedro Waterfront Project Final EIS/EIR (SCH No. 2005061041)
- Port of Los Angeles. 2009, September. San Pedro Waterfront Project Mitigation Monitoring Report and Program
- Port of Los Angeles. 2008, September. San Pedro Waterfront Project Draft EIS/EIR (SCH No. 2005061041)

2.0 PROPOSED PROJECT MODIFICATIONS

2.1 Project Location

Warehouse Nos. 9 and 10 are adjacent to each other in the Outer Harbor area of the Port of Los Angeles on a 9.1 acre site. Warehouse No. 9 is 70,000 square feet, and Warehouse No. 10 is 87,500 square feet, for a total of 157,500 square feet. Both of these warehouses are vacant. Warehouse Nos. 9 and 10 are bounded by Crescent Avenue to the north, the newly upgraded and landscaped Miner Street to the east, and a public parking lot and 22nd Street to the south. The recently completed, 16- acre 22nd Street Park is immediately to the west of the site. The site location is depicted in Figure 1.



2.2 EIR Assumption

In addition to reserving tideland properties for water- and maritime-dependent uses, the State Lands Commission and the Public Trust Doctrine place a responsibility on the Port that emphasizes public access. One purpose of the San Pedro Waterfront Project is to provide increased public access to the waterfront area and to provide connections between the waterfront area and the San Pedro Community. The San Pedro Waterfront Project will provide a variety of public infrastructure improvements, including a continuous waterfront promenade, a network of bike trails and walkways, public open spaces and plazas, transportation improvements and redevelopment of Ports O' Call.

Reuse of Warehouses Nos. 9 and 10 was included as part of the San Pedro Waterfront Project, although a specific future occupant was not identified. It was presumed that Warehouses Nos. 9 and 10 and associated backland areas would be adapted for low-intensity community serving commercial or educational reuse that would complement the recreational uses of the adjacent Park.

2.3 Proposed Modifications

Crafted at the Port of Los Angeles (hereinafter “the modified project”), would result in a higher number of visitors and workers than the originally proposed low-intensity uses. The proposed modifications would include the development of a marketplace for handmade goods with up to 500 vendor stalls and would attract members of the local community, cruise ship passengers and visitors from throughout the region.

The modified project would operate year-round and hours of operation would be from 11 AM to 7 PM on Fridays and 10 AM to 7 PM on weekends. Weekday special events would occur from 11 AM to 7 PM. Nearly 500,000 visitors would be expected annually, with 1,500 visitors expected per week day and 3,000 visitors expected per week-end day.

The modified project would retain the character of the existing facilities while performing building upgrades to meet code requirements. Additionally, the project would develop 600 onsite parking spaces within associated backland areas. Minimal re-grading is anticipated. The site plan is depicted in Figure 2.

The modified project anticipates a soft opening in June 2012 and a grand opening in July 2012. The modified project is expected to operate at full capacity by the October 2013. Facility improvements would coincide with the operational phase of the modified project, and are anticipated to occur from July 2012 to October 2013.



3.0 IMPACT ASSESSMENT

3.1 Comparison of Impacts

This section provides an assessment of the proposed project modifications, as identified in Section 2.3, upon the impact analysis of the EIR. Figures 1 and 2 illustrate the project location and site plan, respectively.

3.1.1 Aesthetics

The EIR determined that there would be a significant impact upon a scenic vista from a designated scenic resource due to the obstruction of views. More specifically, proposed parking structures at the existing Inner Harbor cruise ship terminal would block views to the Vincent Thomas Bridge from a locally designated scenic highway. Otherwise all other aesthetics impacts were considered less than significant. Mitigation measures are outlined in the EIR and the Mitigation Monitoring Report and Program (MMRP). The modified project does not change or alter any of the findings of the EIR aesthetics impact assessment. New significant environmental effects or a substantial increase in the severity of previously identified significant effects are not expected as a result of the project.

3.1.2 Air Quality and Meteorology

The EIR determined construction- and operation-related emissions would be significant since they would exceed South Coast Air Quality Management District (SCAQMD) thresholds of significance, expose sensitive receptors to significant levels of toxic air contaminants, and exceed CEQA baseline greenhouse gas levels. Otherwise all other air quality impacts were considered less than significant. A number of mitigation measures for project construction and operation are outlined in the EIR and MMRP and are designed to minimize the impacts upon this resource area.

The modified project involves minimal improvements to existing facilities which does not represent a substantial change from what was analyzed in the EIR for the reuse of Warehouses 9 and 10. Consequently, there would not be a substantial change in the amount of diesel emissions from construction equipment and fugitive dust from ground disturbance activities compared to what was assumed in the EIR.

Operation of the modified project would generate a nominal increase in the amount of project-generated vehicle trips compared to what was assumed in the EIR (refer to Environmental Assessment Item No. 11) and consequently a nominal change in the amount of vehicle generated emissions.

Construction and operation of the modified project would not generate substantial emissions beyond those analyzed in the EIR. Additionally, construction and operation of the modified project would adhere to all applicable air quality mitigation measures outlined in the EIR and the MMRP. Therefore, new significant environmental effects or a substantial increase in the severity of previously identified significant effects are not expected as a result of the project.

3.1.3 Biological Resources

The EIR determined that there would be a number of significant impacts upon biological resources as a result of construction and operation of the project. Mitigation measures are outlined in the EIR and the MMRP. The modified project would not affect any biological resources nor change or alter any of the findings of the EIR biological resources impact assessment. New significant environmental effects or a substantial increase in the severity of previously identified significant effects are not expected as a result of the modified project.

3.1.4 Cultural Resources

The EIR determined that impacts upon cultural resources were considered less than significant, or less than significant with mitigation. The mitigation measures are outlined in the EIR and the MMRP. The modified project would retain the character of the existing facilities by performing only the minimum maintenance to meet code requirements. Demolition or invasive ground disturbing activities associated with the modified project will not occur. Therefore, new significant environmental effects or a substantial increase in the severity of previously identified significant effects are not expected as a result of the modified project.

3.1.5 Geology

The EIR determined that construction and operation of the proposed project would result in substantial and unavoidable damage to structures or infrastructure, or expose people to substantial risk of injury as a result seismic activity. Otherwise all other geology impacts were considered less than significant. Mitigation measures are outlined in the EIR and the MMRP. The predicted significant and unavoidable impacts are associated with regional faults and harbor-wide conditions (i.e. height of a given site above sea level). New significant environmental effects or a substantial increase in the severity of previously identified significant effects are not expected as a result of the modified project.

3.1.6 Groundwater and Soils

The EIR determined that there would not be any significant or unavoidable impacts upon groundwater and soils with mitigation. The mitigation measures are outlined in the EIR and the MMRP. The modified project would not involve substantial grading or any activities that would affect groundwater or soils. New significant environmental effects or a substantial increase in the severity of previously identified significant effects are not expected as a result of the modified project.

3.1.7 Hazards and Hazardous Materials

The EIR determined that there would not be any significant or unavoidable impacts upon hazardous materials with mitigation. The mitigation measures are outlined in the EIR and the MMRP. The modified project does not involve the use of hazardous materials during operations. New significant environmental effects or a substantial increase in the severity of previously identified significant effects are not expected as a result of the modified project.

3.1.8 Land Use and Planning

The EIR determined that there would not be any significant or unavoidable impacts upon land use and planning with mitigation. The modified project involves the adaptive reuse of Warehouses 9 and 10 for retail and recreational purposes. This is consistent with the reuse assumed in the EIR. The project would not be inconsistent with the goals or policies contained in applicable plans. Furthermore, it would not physically disrupt, divide, or isolate neighborhoods, communities, or land uses. New significant environmental effects or a substantial increase in the severity of previously identified significant effects are not expected as a result of the modified project.

3.1.9 Noise

The EIR determined that noise generated during project construction and noise generated by motor vehicles during project operation would be significant and unavoidable. Mitigation measures are outlined in the EIR and the MMRP.

The modified project involves minimal improvements to existing facilities which does not represent a substantial change from what was analyzed in the EIR for the reuse of Warehouses 9 and 10. There would not be a substantial change in the amount and types of construction equipment operated compared to what was assumed in the EIR. Consequently, the amount and duration of noise generated during construction would not be substantially different from the construction-related noise assumed in the EIR. Operation of the modified project would generate a nominal increase in the amount of project-generated vehicle trips compared to what was assumed in the EIR (refer to Environmental Assessment Item No. 11) , but noise generated by the vehicles would continue to be less-than significant.

Construction and operation of the modified project would not result in substantial noise beyond what was analyzed in the EIR. Furthermore, the modified project would adhere to all applicable noise mitigation measures outlined in the EIR. Therefore, no new significant environmental effects and no substantial increase in the severity of previously identified significant effects would occur as a result of the project.

3.1.10 Recreation

The EIR determined that project construction would adversely affect recreational resources. Project operation would not have a significant effect upon recreational resources. Mitigation measures are outlined in the EIR and the MMRP. The modified project is consistent with the use assessed in the EIR and involves the adaptive reuse of Warehouses 9 and 10 for retail and recreational purposes. It would not result in any loss of recreational resources compared to what was assumed in the EIR. Therefore, no new significant environmental effects and no substantial increase in the severity of previously identified significant effects would occur as a result of the project.

3.1.11 Transportation and Circulation (Ground)

The EIR determined that traffic generated during the operational phase of the project would be significant and unavoidable. Mitigation measures are outlined in the EIR and the MMRP.

The modified project involves minimal improvements to existing facilities which does not represent a substantial change from what was analyzed in the EIR for the reuse of Warehouses 9 and 10. Therefore, there would not be a significant increase in the amount of worker and vendor trips generated during construction compared to what was assumed in the EIR.

Project-generated operational peak hour trips have been estimated by Port Staff and are based upon assumptions provided by the applicant (Appendix A, Visitor and Peak Traffic Forecast for CEQA Review, of their Statement of Interest [SOI] for Warehouse Nos. 9 and 10). Trip generation rates of the Institute of Transportation Engineers' *Trip Generation* were considered to be non-representative of this unique land use. Consequently, visitor data from several long-standing festivals within Southern California, including but not limited to the Sawdust Arts and Crafts Festival, were relied upon to estimate trip generation rates.

A comparison of peak hour trips between the Project analyzed in the EIR and the Modified Project are presented in Table 1. Weekday afternoon peak hour trip generation would be comparable to what was estimated in the EIR, whereas the weekend peak hour trip generation would be greater. The mitigation measures contained in the EIR and MMRP would be sufficient to accommodate the differential trip generation during the weekend peak hour of the proposed project compared to that contained in the EIR for the reuse of Warehouse Nos. 9 and 10. This assessment is based upon projected future year level of service (LOS) for intersections along Harbor Boulevard, Pacific Avenue, and Gaffey Street resulting from trip generation by the project.

Table 1, Comparison of Peak Hour Trips for EIR and Modified Project (2013)		
Scenario	Week Days	Week-End Days
	PM Peak Hour Trips	Peak Hour Trips
Modified Project	97	314
EIR – Warehouse Nos. 9 and 10	64	77
EIR – San Pedro Waterfront Project	1,313	1,917

The modified project includes the development of 600 onsite parking spaces which would meet the requirements of Los Angeles Municipal Code Section 12.21.A.4. In accordance with the terms of the lease, the modified project would efficiently utilize the on-premises parking lot by ensuring that no more than 25% of their customers occupy off-site parking during any given day. This efficiency requirement would not apply if the project demonstrates that the premise parking area is more than 90% occupied solely by their customers. The 90% occupancy rate would be determined by the project through the completion of parking counts at noon and 3:00 p.m. each day of operation. Crafted at the Port of Los Angeles vendor sub-lessees and employees would be directed to park at the existing lot northwest of 22nd Street and Miner Street.

In consideration of the aforementioned assessments pertaining to peak hour traffic generation and parking, no new significant environmental effects and no substantial increase in the severity of previously identified significant effects will occur as a result of the project.

3.1.12 Transportation and Navigation (Marine)

Impacts upon marine transportation and navigation were determined to be less than significant by the EIR. Construction and operation of the modified project would not affect marine transportation and navigation. Significant environmental effects related to marine transportation and navigation will not occur as a result of the modified project.

3.1.13 Utilities and Public Services

The EIR determined that there would be no significant or unavoidable impacts upon utilities and public services with mitigation. Mitigation measures are outlined in the EIR and the MMRP. The modified project would not result in the use of utilities and public services beyond what was analyzed in the EIR. No new significant environmental effects and no substantial increase in the severity of previously identified significant effects will occur as a result of the modified project.

3.1.14 Water Quality

The EIR determined that the project would result in significant and unavoidable discharges that create pollution, contamination, or nuisance that violate applicable NPDES stormwater permits or otherwise the water quality control plan for the receiving water body. Otherwise the project would not significantly affect water resources. Mitigation measures are outlined in the EIR and the MMRP. The modified project would not substantially alter the amount, contaminant composition, or flow of stormwater runoff as compared to what was analyzed in the EIR. Furthermore the modified project would comply with the prescribed mitigation measures. No new significant environmental effects and no substantial increase in the severity of previously identified significant effects would occur as a result of the modified project.

3.2 Conclusions

None of the conditions as described under Section 15162 of the State CEQA Guidelines requiring a subsequent or supplemental EIR have occurred. No new significant environmental effects and no substantial increase in the severity of previously identified significant effects will occur as a result of the modified project.