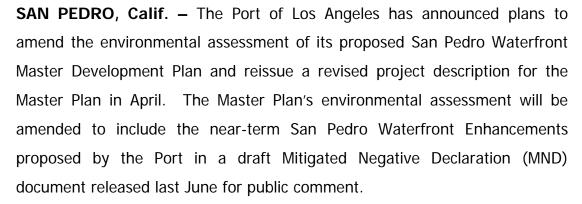


FOR IMMEDIATE RELEASE

Contact: Theresa Adams-Lopez (310) 732-3507

PORT PLANS TO AMEND THE PROJECT DESCRIPTION AND ENVIRONMENTAL ASSESSMENT FOR ITS PROPOSED SAN PEDRO WATERFRONT MASTER DEVELOPMENT PLAN

Gateway Plaza Water Feature On Track for Completion In Early 2007



Port staff made its decision public at a special budget-focused Harbor Commission meeting last week, where staff informed commissioners that \$18.4 million earmarked for initiating the proposed enhancements would be eliminated from the Harbor Department's 2006-2007 fiscal year budget. The enhancements proposed in the MND will be added into a new or amended Notice of Intent/Notice of Preparation (NOI/NOP) and draft project description for the San Pedro Waterfront Master Development Plan the Port expects to release for public comment by the end of April.

"With nearly 400 comments submitted, the public input in response to the Port's proposed near-term waterfront enhancements was outstanding, constructive and supportive," said Stacey Jones, the Port's director of engineering development. "Our obligation is to ensure the integrity of the environmental process. To that end, we believe that it is in the best interest



425 S. Palos Verdes Street
San Pedro, CA 90731
Tel: 310/732-3508
After 5:00 p.m.:
310/732-3500

Amended Master Development Plan 2-2-2

of the Port and all stakeholders to add the proposed waterfront enhancement projects into the environmental assessment for the San Pedro Waterfront Master Development Plan."

"This decision makes for a stronger assessment under CEQA [California Environmental Quality Act], and it provides another opportunity for the Port to engage stakeholders for input on an exciting project that will transform the San Pedro waterfront," said Port Commissioner Jerilyn López Mendoza. "On those merits alone, I think it's the best approach for ultimately arriving at the most comprehensive project assessment; so I support it."

Most of the Port's proposed Waterfront Enhancements outlined in the MND were measures to make the waterfront more inviting and pedestrian-friendly. The MND also called for park space along the waterfront and additional parking spaces on 22nd Street to accommodate the needs of local businesses and Cabrillo Marina tenants.

Staff anticipates the environmental review process for the 400-acre San Pedro Waterfront Master Development Plan -- a 30-year vision for the waterfront in San Pedro -- will be completed in the second half of 2007. The Port's proposed San Pedro Waterfront Master Development Plan is the result of a multi-year planning process that involved input from hundreds of local stakeholders, world-class design team Ehrenkrantz Eckstut & Kuhn (EE&K) Architects/Gafcon, and Port staff. Alternative higher density and lower density plans are also being studied as part of the Environmental Impact Report/Environmental Impact Statement (EIR/EIS) project analysis.

Plans call for an early 2007 completion of the Gateway Plaza fountain feature previously approved under the Waterfront Gateway Development Project. New public restrooms also will be installed along the existing promenade. Welcoming motorists to the waterfront as they exit off I-110 at Harbor Boulevard, the Gateway Plaza includes a major signature water feature at the entryway of the World Cruise Center and an interactive water feature at the 2nd Street junction of the Harbor Boulevard Parkway pedestrian promenade that opened in October 2005.

Amended Master Development Plan 3-3-3

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