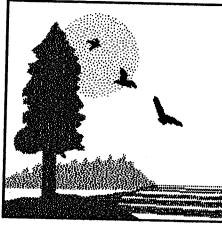


CALIFORNIA STATE LANDS COMMISSION
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202

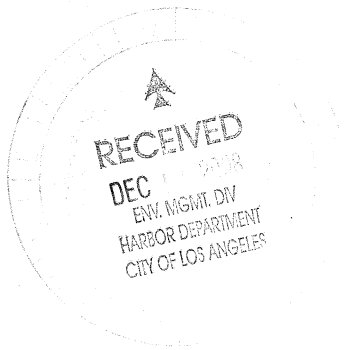


PAUL D. THAYER, Executive Officer
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December 8, 2008

File Ref: SCH# 2005061041



Jan Green Rebstock

Los Angeles Harbor Department
425 S. Palos Verdes Street
San Pedro, California

Subject: San Pedro Waterfront Project

Dear Ms. Rebstock:

The staff of the California State Lands Commission (CSLC) has reviewed the Draft Environmental Impact Report (DEIR) [SCH#2004052013] for the San Pedro Waterfront Project and submits the following comments for your consideration.

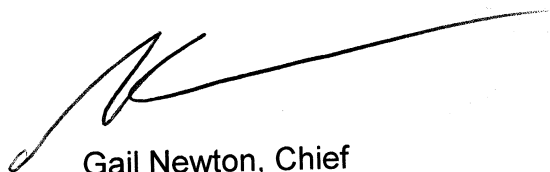
As you have indicated in the DEIR, the proposed project will involve lands legislatively granted, in trust, to the City of Los Angeles, pursuant to Chapter 656, Statutes of 1911. The grant has been amended a number of times, most recently by Chapter 1130, Statutes of 2002. The Port, as Trustee of these sovereign lands for the people of California, must ensure that the specific uses proposed in the project are consistent with the provisions of the relevant granting statutes and the Public Trust Doctrine. Further-more, project proposals for uses of public trust resources must serve a statewide, or at least, a regional benefit and caution must be taken so as to not confuse local or municipal benefits with public trust benefits. Acceptable trust uses include, but are not limited to, uses that promote water-oriented or water-dependent recreation and commerce, navigation, fisheries, public access, and the conservation of natural resources.

The majority of proposed uses of the San Pedro Waterfront Park appear generally consistent with the public trust. However, staff requests additional information regarding the children's play area within the San Pedro Park. The development project anticipates approximately 175,000 square feet for commercial uses. It is important to note that not all retail uses are consistent with the public trust and, as such, care should be taken to secure tenants whose commercial enterprises are consistent with the use restrictions on the land. Trust consistent uses may provide necessary and incidental facilities for waterfront visitors rather than a general commercial shopping experience.

Staff's previous comments on the Red Car Expansion portion of this Project (via letter dated February 15, 2007 - attached) are still applicable.

If you have any jurisdictional questions, please contact Grace Kato, Public Land Management Specialist, at (916) 574-1811 or by e-mail at katog@slc.ca.gov. If you have any questions on the environmental review, please contact Mary Ann Hadden at (916) 574-2274 or by e-mail at haddenm@slc.ca.gov.

Sincerely,



Gail Newton, Chief
Division of Environmental Planning
and Management

cc: Office of Planning and Research
Grace Kato - CSLC
Mary Ann Hadden - CSLC

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February 15, 2007

File Ref: SCH# 2005061041

Ralph G. Appy
Los Angeles City Harbor Department
425 S. Palos Verdes Street
PO Box 151
San Pedro, CA 90731-0151

Subject: The San Pedro Waterfront Project – Red Car Expansion Project

Dear Mr. Appy:

Staff of the California State Lands Commission (CSLC) has reviewed the revised Notice of Preparation (NOP) for the San Pedro Waterfront Project – Red Car Expansion.

The CSLC has jurisdiction and management authority over all ungranted tidelands, submerged lands, and the beds of navigable rivers, sloughs, lakes, etc. The CSLC has certain residual and review authority for tide and submerged lands legislatively granted in trust to local jurisdictions (Public Resources Code §6301 and §6306). All tide and submerged lands, granted or ungranted, as well as navigable rivers, sloughs, etc., are impressed with the Common Law Public Trust.

The project area involves sovereign lands which were initially legislatively granted to the City of Los Angeles pursuant to Chapter 656, Statutes of 1911. The grant has been amended a number of times, most recently by Chapter 1130, Statutes of 2002. The Port, as a Trustee of these sovereign lands, must ensure that the specific uses proposed in the plan are consistent with the provisions of the relevant granting statutes and the Public Trust. Furthermore, project proposals for use of public trust resources must serve a statewide or at least regional benefit and caution must be taken so as to not confuse purely local or municipal benefits with public trust benefits.

As the vintage trolley line connecting the World Cruise Center with various attractions along the San Pedro waterfront, CSLC staff believes that the construction of

a Red Car Museum and maintenance facility for current Red Car use is generally consistent with the applicable granting statutes and the public trust doctrine. The revised NOP states that there is a new project element concerning the potential extension of the Red Car line to Cabrillo Beach, the Outer Harbor Cruise Terminal, and Warehouse No. 1. The new project element includes the construction of additional stations and the project area will be expanded to include the 22nd Street Landing Area, Crescent Avenue, Shoshosean Way, and Cabrillo Beach.

Staff considers the expenditure of trust monies for a feasibility study on the Red Car expansion to be generally consistent with the applicable granting statutes and the public trust doctrine. However, if the feasibility study concludes that expansion of the Red Car line into areas outside the Port's jurisdiction and onto non-trust lands is feasible and will be undertaken, it is staff's position that the local municipal transportation authority would participate in the funding of such an expansion, including any maintenance costs associated with the expansion.

We appreciate the opportunity to comment. If you have any questions concerning the CSLC's jurisdiction, please do not hesitate to contact Grace Kato at 916-574-1227. Thank you.

Sincerely,



Marina R. Brand, Assistant Chief
Division of Environmental Planning
and Management

cc: Office of Planning and Research
State Clearinghouse
P.O. Box 3044
Sacramento, CA 95812-3044

Grace Kato, CSLC