

CALIFORNIA COASTAL COMMISSION

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Tu 13b



April 24, 1997

TO: COMMISSIONERS AND INTERESTED PERSONS

FROM: PETER M. DOUGLAS, Executive Director
Charles Damm, South Coast District Director
Larry Simon, Ports Coordinator

**SUBJECT: Staff Recommendation on Port of Long Beach Port Master Plan
Amendment No. 10** (Addition to previously-approved port landfill mitigation credit account, and relocation of previously-approved homeless service center).
For Commission consideration at meeting of May 13, 1997.

SUMMARY OF STAFF RECOMMENDATION

Staff recommends that the Commission **certify** the Port of Long Beach port master plan amendment No. 10, which provides for an addition to the Port's existing, previously-approved landfill mitigation credit account due to additional financial contributions by the Port towards the Bolsa Chica (Orange County) wetlands restoration project, and relocation of a previously-approved homeless service center from a site in the Terminal Island Planning District to a site in the North Harbor Planning District. The staff recommends that the Commission find that the proposed amendment conforms with and carries out the policies of Chapter 8 and Chapter 3 of the Coastal Act.

I. Port Master Plan Amendment Procedure. California Code of Regulations, Title 14 Section 13636 calls for port master plan amendments to be certified in the same manner as provided in Section 30714 of the Coastal Act for certification of port master plans. Section 13628 of the Regulations states that upon the determination of the Executive Director that the master plan amendment and accompanying materials required by Section 13628(a) are sufficient, the master plan amendment shall be deemed submitted to the Commission for purposes of Section 30714 of the Coastal Act. The subject amendment was deemed submitted on April 22, 1997. Within 90 days of this submittal date, the Commission, after public hearing, shall certify or reject the amendment, in whole or in part. If the Commission fails to take action on the amendment

submittal within the 90-day period, the proposed amendment is deemed certified. The 90-day period expires on July 21, 1997.

Section 30714 of the Coastal Act states that the Commission shall either certify the amendment in whole or in part, or reject the amendment in whole or in part. The Commission may not modify the amendment as a condition of certification. Section 30714 also states that the Commission shall certify the amendment if the Commission finds both that:

1. The certified portions of the amendment conform with and carry out the policies of Chapter 8 of the Coastal Act.
2. Where the amendment provides for development listed as appealable in Section 30715, such development is in conformity with all the policies of Chapter 3 of the Act.

The proposed amendment provides for additions to the port landfill mitigation credit account arising from the Bolsa Chica wetlands acquisition and restoration project, and relocation within the Port of a proposed homeless service center. The proposed mitigation credit account addition will be evaluated under the policies of Chapter 8 of the Coastal Act, and the proposed homeless service center site relocation will be evaluated under the policies of Chapter 3 of the Coastal Act.

II. STAFF RECOMMENDATION:

The staff recommends the Commission adopt the following resolution:

Certification of Amendment.

The Commission hereby **certifies** the Port of Long Beach Port Master Plan Amendment No. 10 and finds, for reasons discussed below, that the amended Port Master Plan conforms with and carries out the policies of Chapter 8 and Chapter 3 of the Coastal Act. The Commission further finds that the plan amendment will not have any significant adverse effects on the environment within the meaning of the California Environmental Quality Act.

III. FINDINGS AND DECLARATIONS.

The Commission finds and declares as follows:

A. Previous Commission Action. The Commission certified the Port of Long Beach Port Master Plan on October 17, 1978. The Commission has reviewed nine amendments to the master plan since that date, most recently in October 1996.

B. Contents of Port Master Plan Amendments. California Code of Regulations Title 14, Section 13656 calls for port master plan amendments to be certified in the same manner as

port master plans. Section 30711 of the Coastal Act provides, in part, that a port master plan shall include all the following:

1. The proposed uses of land and water, where known.
2. The proposed design and location of port land areas, water areas, berthing, and navigation ways and systems intended to serve commercial traffic within the area of jurisdiction of the port governing body.
3. An estimate of the effect of development on habitat areas and the marine environment, a review of existing water quality, habitat areas, and quantitative and qualitative biological inventories, and proposals to minimize and mitigate any substantial adverse impacts.
4. Proposed projects listed as appealable in Section 30715 in sufficient detail to determine their consistency with the policies of Chapter 3 (commencing with Section 30200) of this division.
5. Provisions for adequate public hearings and public participation in port planning and development decisions.

The Commission finds that the proposed port master plan amendment conforms with the provisions of Section 30711 of the Coastal Act. There are adequate details in the port master plan submittal and associated materials for the Commission to make a determination of the proposed amendment's consistency with Chapter 8 and Chapter 3 policies of the Coastal Act.

A Final Environmental Impact Report for the Pier T Marine Terminal, which included the proposed homeless service center, was certified and approved by the Board of Harbor Commissioners in September 1996. The Board determined on March 11, 1997, that the Second Amendment to the interagency Memorandum of Agreement for the Bolsa Chica Wetland Restoration project (which includes the proposed credit addition to the port landfill mitigation credit account) does not constitute an adoption of a project under the California Environmental Quality Act and is exempt from the requirements of CEQA.

C. Appealable Development. In determining the standard of review for the proposed master plan amendment, Section 30714 of the Coastal Act provides guidance and states in part that:

The Commission shall certify the plan, or portion of the plan, if the Commission finds both of the following:

- (a) The master plan, or certified portions thereof, conforms with and carries out the policies of this chapter.

(b) Where a master plan, or certified portions thereof, provide for any of the developments listed as appealable in Section 30715, the development or developments are in conformity with all policies of Chapter 3 (commencing with Section 30200).

Section 30715(a) of the Coastal Act provides, in part, that:

(a) . . . After a port master plan or any portion thereof has been certified . . . approvals of any of the following categories of development by the port governing body may be appealed to the commission:

- (1) Developments for the storage, transmission, and processing of liquefied natural gas and crude oil in such quantities as would have a significant impact upon the oil and gas supply of the state or nation or both the state or nation. A development which has a significant impact shall be defined in the master plans.
- (2) Waste water treatment facilities, except for those facilities which process waste water discharged incidental to normal port activities or be vessels.
- (3) Roads or highways which are not principally for internal circulation within the port boundaries.
- (4) Office and residential buildings not principally devoted to the administration of activities within the port; hotels, motels, and shopping facilities not principally devoted to the sale of commercial goods utilized for water-oriented purposes; commercial fishing facilities; and recreational small craft marina related facilities.
- (5) Oil refineries.
- (6) Petrochemical production plants. . . .

The Port's plan amendment submittal states that the proposed relocation of the site for the previously-approved but as-yet unbuilt homeless service center from the Terminal Island Planning District to the North Harbor Planning District does not alter its previous determination that the center is an appealable development under Section 30715(a)(4) of the Coastal Act. The Commission agrees with the Port that the proposed homeless service center is the only appealable development contained in the proposed plan amendment. The standard of review for this element of the amendment is the Chapter 3 policies of the Coastal Act; the standard of review for the balance of the amendment is Chapter 8 of the Act.

D. Summary of Proposed Plan Amendment. The Port of Long Beach proposes to amend its port master plan by obtaining Commission certification of a 40-credit addition to its

existing, previously-approved landfill mitigation credit account and relocation of a previously-approved site for a homeless service center (Exhibits 1-4). The Port's submittal states that:

The Port's landfill mitigation credit account was established by Port Master Plan Amendment #8, for the Port's participation in wetland restoration of the Bolsa Chica Lowlands, on the northern Orange County coastline. The initial restoration plan generated 454 habitat credits, with 227 acres credited to the Port of Long Beach and 227 acres credited to the Port of Los Angeles. The additional 40 credits, that are the subject of this Port Master Plan Amendment, were generated by an amendment to the Interagency Memorandum of Agreement (MOA) that expanded the Bolsa Chica Lowland restoration program. The additional 40 credits will become available upon the Port's funding of an additional \$6 million towards the enhancement of the future full tidal area of the Bolsa Chica Lowlands. This amendment would bring the Port's total available mitigation credits to 267. Port Master Plan Amendment #10 would allow use of these additional 40 credits for future landfill projects within the Port of Long Beach, consistent with the procedures established by Port Master Plan Amendment #8. This amendment does not approve any new landfill developments. Any new landfill developments not already included in the certified Port Master Plan would be subject to normal approval procedures and environmental documentation in future Amendments.

Secondly, Port Master Plan Amendment #10 will shift the location for development within the Port of a non-residential homeless service center from the Terminal Island Planning District (District #4) to the North harbor Planning District (District #1). Please see the attached Harbor Planning District Map (Figure #1). This service center is the result of the base closure process which requires consideration of the needs of the homeless in the reuse of military property. In this case, the provision of a homeless service center will allow for port development of approximately 240 acres of the Naval Station property and potentially up to another 260 acres with closure of the Navy's shipyard and supply center. The relocation to the North Harbor Planning District is needed to accommodate development of primary port facilities on Terminal Island. In addition to accommodating Port expansion, relocation of the homeless service center to the North Harbor Planning District (District #1) will better serve the needs of its clients by centrally locating the service center near public transportation services. As shown on the attached property map (Figure #2), the proposed relocation site encompasses approximately 2.0 acres.

The plan amendment further states that the homeless service center would provide space for a variety of homeless service agencies to provide employment, counseling, financial, and housing information to homeless individuals from Long Beach and the surrounding communities. In addition, development of the homeless service center is an appealable project under Section 30715(a)(4) of the Coastal Act. The Commission approved a land use change to provide for construction of the center at the original location on Terminal Island when it certified Plan Amendment No. 9 in July 1996. The Port now proposes to amend the list of allowable land uses

in the North Harbor Planning District (currently limited to port-related uses) to include "Non-Port Use for a Homeless Service Center."

E. Conformance with the Coastal Act. In order for the Commission to certify the proposed plan amendment, the Commission must determine that the appealable portion of the amendment (a new site for the homeless service center) conforms to all Chapter 3 policies of the Coastal Act, and that the balance of the amendment (additions to the landfill mitigation credit account) conforms to the following Chapter 8 policy of the Coastal Act:

Section 30708. All port-related development shall be located, designed, and constructed so as to:

- (a) Minimize substantial adverse environmental impacts.
- (b) Minimize potential traffic conflicts between vessels.
- (c) Give highest priority to the use of existing land space within harbors for port purposes, including, but not limited to, navigational facilities, shipping industries, and necessary support and access facilities.
- (d) Provide for other beneficial uses consistent with the public trust, including, but not limited to, recreation and wildlife habitat uses, to the extent feasible.
- (e) Encourage rail service to port areas and multicompany use of facilities.

The Commission previously found, in its July 1996 certification of Plan Amendment No. 9, that designation of a non-waterfront parcel within the Terminal Island Planning District for a homeless service center conformed to the Chapter 3 policies of the Coastal Act. The subject amendment proposes to relocate the designated service center site from Terminal Island to an existing developed area adjacent to Anaheim Street in the North Harbor Planning District, a site further inland and one better served by public transportation. There are no sensitive coastal resources on the site, and the redesignation of a two-acre parcel from port-related uses to non-port-related uses will not adversely affect the ability of the Port of Long Beach to provide adequate backland areas to support primary port and port-related activities. Therefore, the Commission finds that: (1) designation of this two-acre site in the North Harbor Planning District for a homeless service center will not adversely affect public access, recreation, marine resources, or land resources at or adjacent to the site; and (2) the proposed land use change, which would provide for the construction of a Section 30715(a)(4) appealable development (a non-residential homeless service center), conforms with the Chapter 3 policies of the Coastal Act.

The proposed \$6 million additional contribution by the Port of Long Beach to the Bolsa Chica restoration project included in this proposed plan amendment would go specifically towards

future restoration of the 275-acre Future Full Tidal Area when oil and gas field operations in this area cease and any environmental contamination has been cleaned up. (The Commission previously certified an identical \$6 million contribution by the Port of Los Angeles at its April 1997 meeting.) Federal and State resource agencies determined that reintroduction of tidal influence into the Future Full Tidal Area is expected to create habitat values and aquatic functions sufficient to offset an additional 40 acres of landfill in the outer harbor area of the Port of Long Beach and 40 acres of landfill in the outer harbor area of the Port of Los Angeles.

However, the \$12 million designated for restoration of the Future Full Tidal Area may not provide for optimal restoration of this area. Therefore, should the participating agencies determine at some future date that optimal restoration is desired and feasible, then both Ports would be given the opportunity to provide additional funding for optimal restoration in return for additional mitigation credits, the number of which would be determined after completion of a multi-agency habitat evaluation process. Only in the 275-acre Future Full Tidal Area of the Bolsa Chica wetlands complex does the potential exist for additional mitigation credit generation from additional restoration funding at some future date. Any proposal calling for additional mitigation credits (beyond the aforementioned 80 credits) to be generated from additional restoration work at the Future Full Tidal Area would need to be reviewed and approved by the Commission in a subsequent port master plan amendment prior to those credits vesting with one or both Ports.

Acquisition of the 880-acre Bolsa Chica wetland complex and the restoration of approximately 600 acres of those wetlands, made possible by \$66.75 million in funding provided by the Port of Long Beach and the Port of Los Angeles, will serve as compensation for the loss of marine habitat and resources arising from the construction of 454 acres of outer harbor landfills. When the Port of Long Beach provides an additional \$6 million in funding for restoration in the 275-acre Future Full Tidal Area (as proposed in this plan amendment), an additional 40 credits would accrue to the Port and provide mitigation for the construction of an additional 40 acres of outer harbor landfill. Should the Port of Los Angeles also provide an additional \$6 million and receive its additional 40 mitigation credits (the subject of a separate Port of Los Angeles plan amendment certified by the Commission at its April 1997 meeting), then approximately 875 acres of the Bolsa Chica Lowlands would be restored and/or enhanced to full tidal and/or managed tidal influence, and a total of 534 acres of outer harbor landfill mitigation credits would be generated for use by the Ports.

Although the provision in the proposed plan amendment calling for an addition to the Port of Long Beach landfill mitigation credit account does not allow for any development of landfills, the provision conforms with Section 30708(a) in that the future use of the mitigation credits will serve to minimize adverse environmental impacts on marine habitat and resources arising from future port landfills. The proposed 40-acre credit addition is consistent with Commission action in October 1996 certifying the original 454 mitigation credits arising from the Bolsa Chica restoration project (Port of Long Beach Plan Amendment No. 8, and Port of Los Angeles Plan Amendment No. 15), and with Commission certification in April 1997 of Port of Los Angeles

Plan Amendment No. 17 for a 40-acre credit addition to its landfill mitigation credit account. Therefore, the Commission finds that the proposed 40-acre credit addition to the Port of Long Beach landfill mitigation credit account conforms with the Chapter 8 policies of the Coastal Act.

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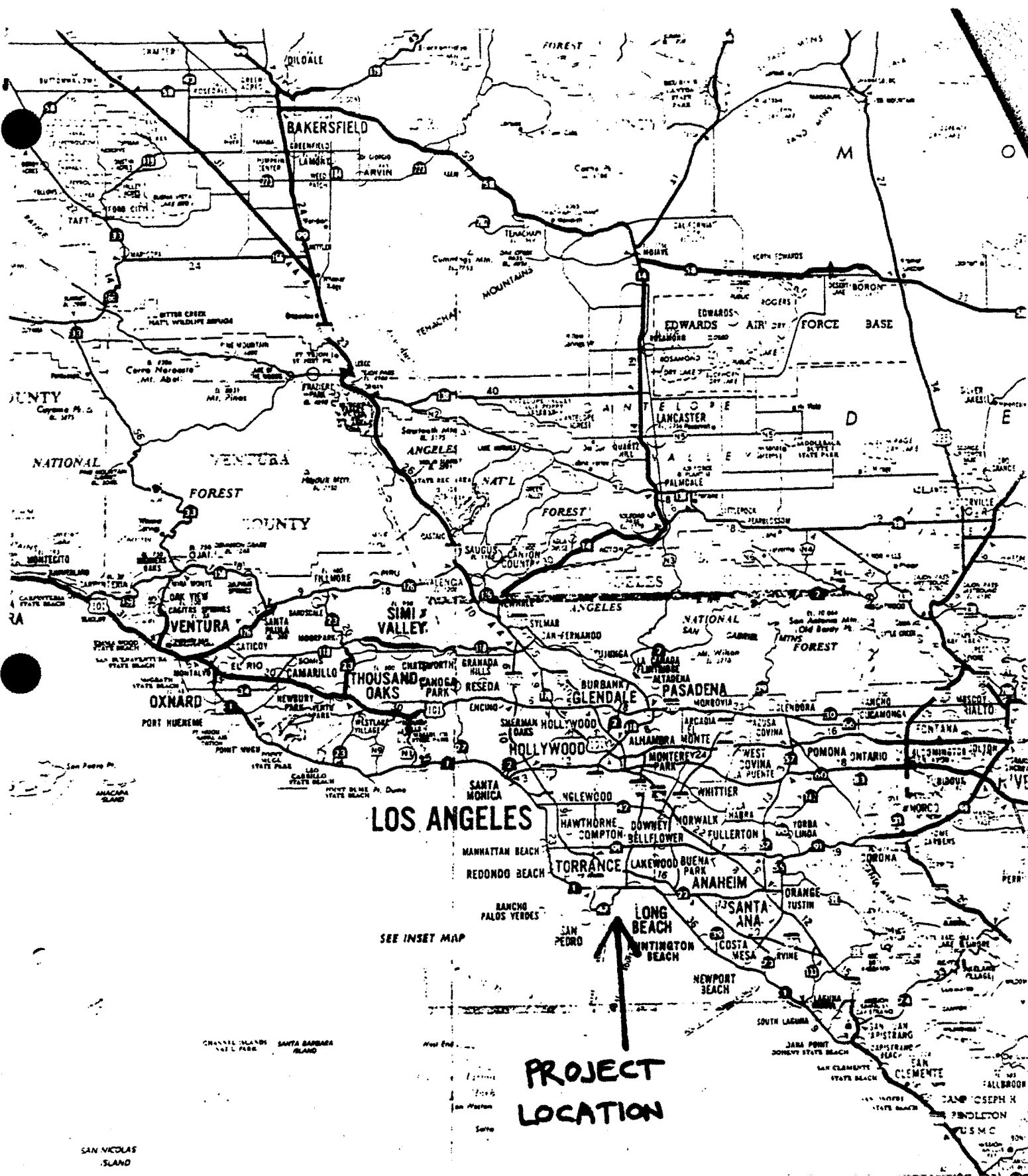


EXHIBIT NO. 1
APPLICATION NO.
POLB PMPA 10
California Coastal Commission

SAN NICOLAS ISLAND

SANTA BARBARA ISLAND

ISLAND



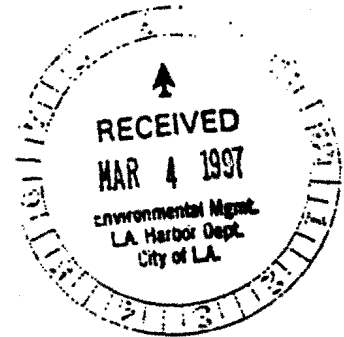
United States Department of the Interior

OFFICE OF THE SECRETARY

Washington, D.C. 20240

Address Replies in Care of:
Regional Solicitor's Office
U.S. Department of the Interior
2800 Cottage Way, Room W-2215
Sacramento, CA 95825

February 28, 1997



Mr. Ralph Appy
Port of Los Angeles
P.O. Box 151
San Pedro, CA 90733-0151

Dr. Geraldine Knatz
Port of Long Beach
P.O. Box 570
Long Beach, CA 90801-0570

Re: Bolsa Chica Lowlands Project

Dear Geraldine and Ralph:

This will acknowledge that each Port deposited \$12,500,000.00 with the State Lands Commission (Commission) for the acquisition of the KREG (i.e., Signal Bolsa Corporation) property in accordance with my separate, but identical, February 12, 1997, letters to each of you. This will also acknowledge that each Port has deposited the balance of its \$33,375,000.00 payment, less credits in accordance with Article 8(a) of the Interagency Agreement, with the Commission as of today. Finally, of course, title to a minimum of approximately 880 acres in the Lowlands vested in the Commission on February 14, 1997, when it acquired the KREG property.

The conditions precedent of my February 12 letter and of the first sentence of Article 15(a) of the Interagency Agreement having therefore been satisfied, this will confirm that, pursuant to the said Article 15(a), 454 acres of mitigation credits are available to the Ports, effective as of today, for immediate use in accordance with the Interagency Agreement. The remaining 80 acres of mitigation credits called for by the Second Amendment to the Interagency Agreement will become available to the Ports when the provisions of the Second Amendment are satisfied.

If you have any questions, please call me at (916) 979-2159.

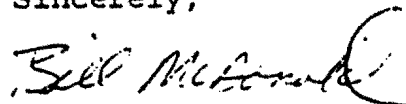
EXHIBIT NO. 2

APPLICATION NO.

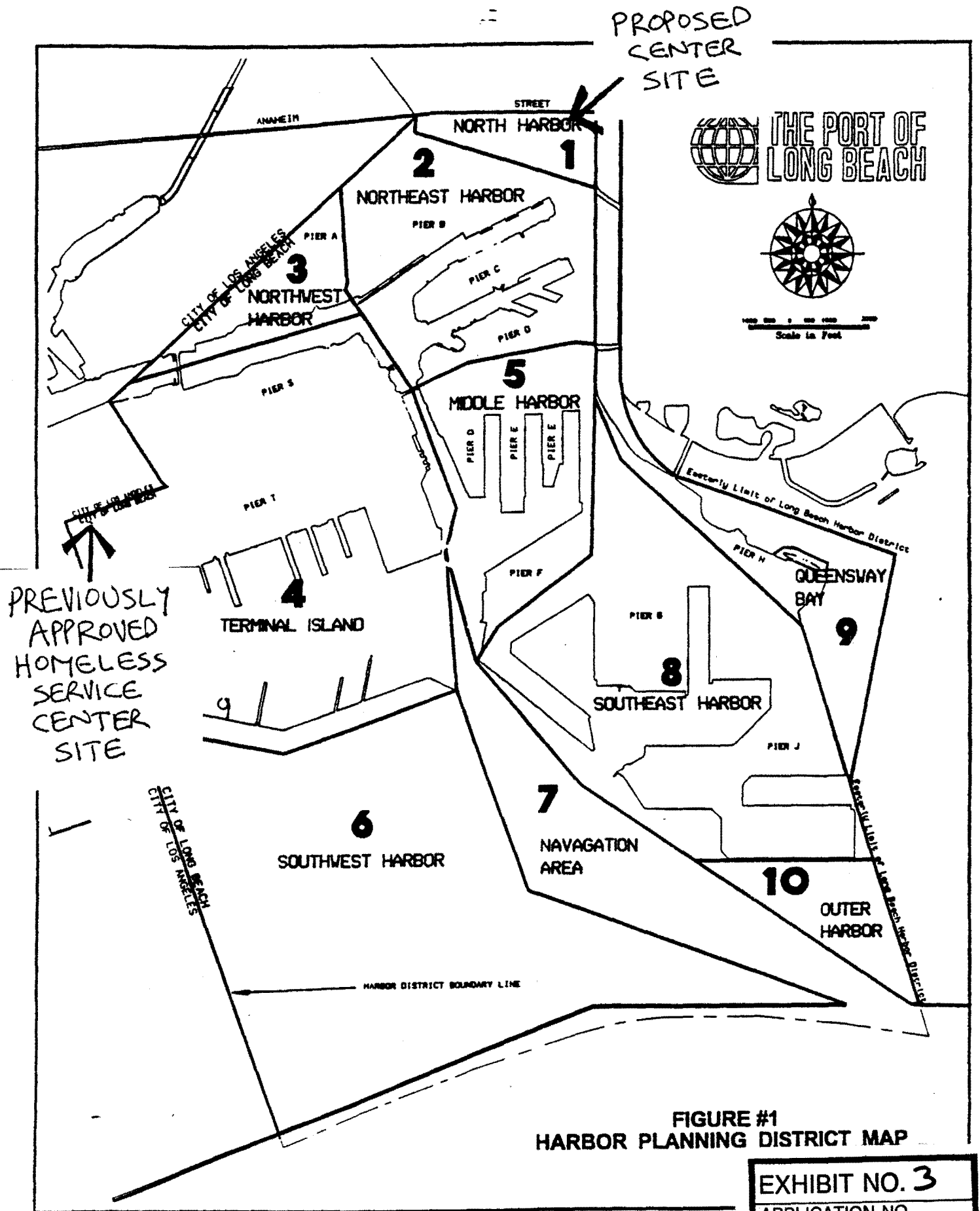
POLB PMPA 10

 California Coastal Commission

Sincerely,

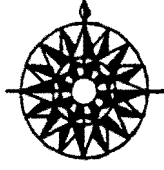


J. William McDonald



PROPOSED
CENTER
SITE

THE PORT OF
LONG BEACH



Scale in Feet
0 500 1000 1500 2000

PREVIOUSLY
APPROVED
HOMELESS
SERVICE
CENTER
SITE

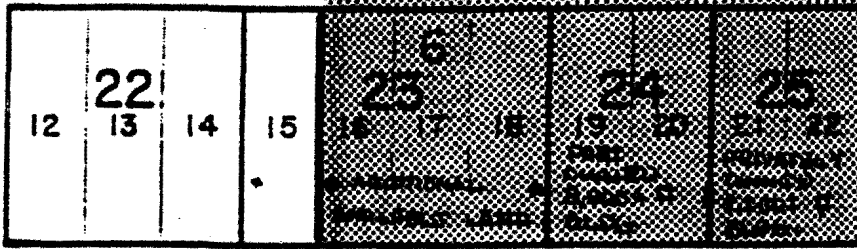
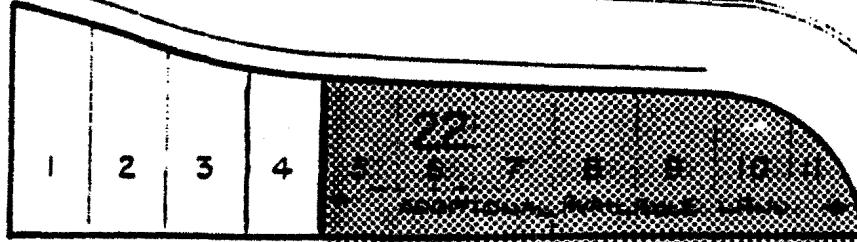
FIGURE #1
HARBOR PLANNING DISTRICT MAP

EXHIBIT NO. 3
APPLICATION NO.
POLB MPA 10
California Coastal Commission

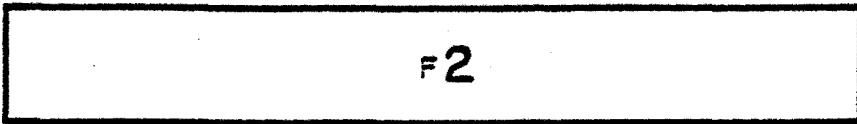
ANAHEIM STREET

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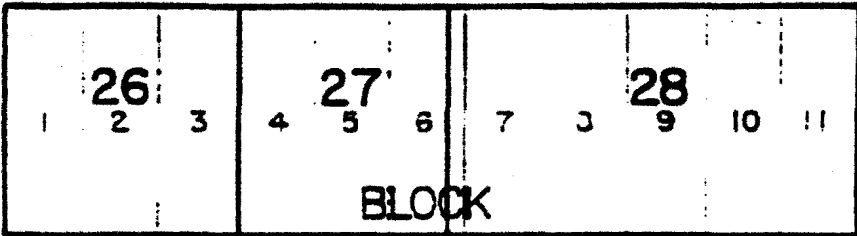
HARBOR AVE.



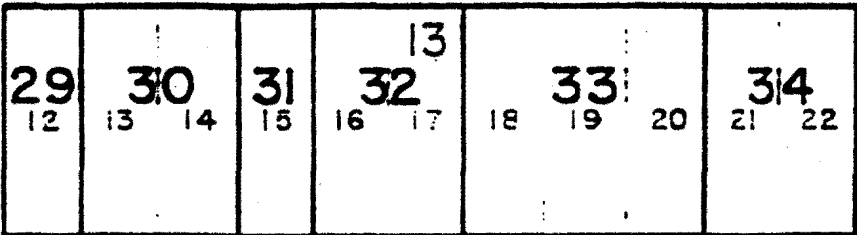
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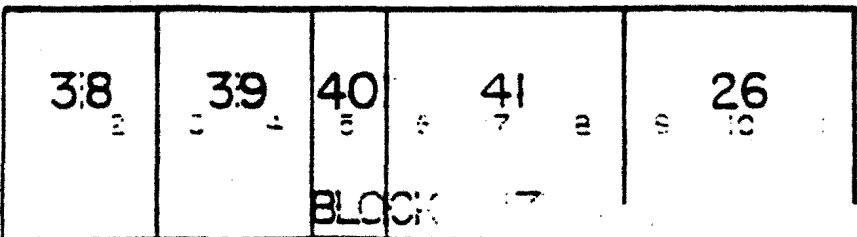
12th STREET



BLOCK

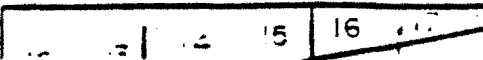


11th

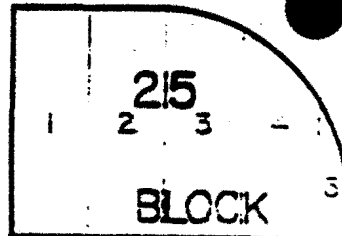


BLOCK

ALLEY



HARBOR AVE.



BLOCK

ALLEY

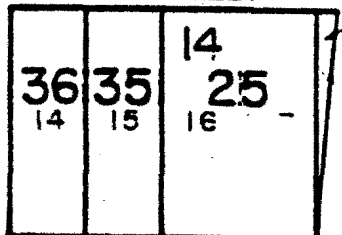


EXHIBIT NO. 4
APPLICATION NO.
POLB PMPA 10
California Coastal Commission

FIGURE #2 HOMELESS SERVICE CENTER PROPERTY MAP