Addendum to the San Pedro Waterfront Project Environmental Impact Report for the San Pedro Public Market 2

SCH No. 2005061041

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1. Introduction

Pursuant to the California Environmental Quality Act (CEQA) Public Resources Code section 21000 et. seq., this Addendum to the San Pedro Waterfront (SPW) Project Final Environmental Impact Report (EIR) has been prepared to address proposed changes to the redevelopment of Ports O'Call, located between the Main Channel and Sampson Way from Berths 73-Z to 83 within the Port of Los Angeles (Port). In the SPW Project Environmental Impact Statement (EIS)/EIR, the Los Angeles Harbor Department (LAHD) identified the redevelopment of Ports O'Call as one of the objectives of the SPW Project. Specifically, the objective called for enhanced visitor serving commercial opportunities within Ports O'Call, complementary to those found in downtown San Pedro, as well as a potential conference center. The SPW Project EIS/EIR acknowledged that to successfully redevelop Ports O'Call, LAHD plans to work with a master developer in order to redevelop the entire area homogeneously. Since the certification of the SPW Project EIS/EIR on September 29, 2009, the Los Angeles Board of Harbor Commissioners (Board) selected LA Waterfront Alliance (LAWA), a joint venture consisting of The Ratkovich Company and Jerico Development, Inc., as the master developer for the redevelopment of Ports O'Call pursuant to a competitive, public request for qualifications process conducted by the Board in late 2012. LAWA entered into an Exclusive Negotiating Agreement (ENA) with the Port and the City of Los Angeles (City), effective March 2013. The ENA was extended through March 2015 and was replaced by a Letter of Intent (LOI), effective March 2015 and originally expiring in July 2015. During the initial term of the LOI, the Port and the City negotiated a term sheet describing the business terms of a proposed Ground Lease between the Port and LAWA. The term sheet was approved by the Board in July 2015, at which time the term of the LOI was extended through December 2015.

In December 2015, the master developer proposed modifications to the previous project design and uses that were analyzed for Ports O'Call in the SPW Project EIS/EIR. The proposed modifications in the 2016 Addendum to the San Pedro Waterfront EIR for the San Pedro Public Market (2016 SPPM Addendum) included the development of a smaller building area; the inclusion of a portion of the Town Square originally evaluated in the SPW Project EIS/EIR; reconfiguration of the waterfront promenade; extension of the term of the proposed lease between LAHD and the developer of the proposed Project from 30 years to 50 years; and possible modification to the U.S. Army Corps of Engineers permits issued related to construction of the waterfront promenade and other over- and in-water features. At the same time, LAWA changed their name to the San Pedro Public Market, LLC. The 2016 SPPM Addendum for the San Pedro Public Market was brought to the Board for consideration in May 2016.

This Addendum to the San Pedro Waterfront Project EIR for the San Pedro Public Market 2 (2019 SPPM Addendum) serves to extend the duration of the Lease 915 (L915) with the San Pedro Public Market, LLC (SPPM) for an additional 16 years, equating to a 66-year lease. As mentioned above, the analysis done in the 2016 SPPM Addendum studied a 50-year lease, which was the longest entitlement length allowed at that time. Since the 2016 analysis, the state Tidelands Grant was amended by Senate Bill No. 399, at Chapter 450, Statutes 2015, an act to amend Section 1 of Chapter 651 of the Statutes of 1929, relating to tidelands and submerged lands, and the Los Angeles City Charter Sec 607(a) was amended by Prop. P, approved March 7, 2017, effective April 13, 2017, which together extended the maximum duration of allowable leases from 50 years to 66 years. SPPM seeks to amend their lease and allow for the full maximum allowed by current law. A longer lease term provides for the longest potential private investment and more favorable ground lease financing terms. All of these functions provide the Harbor Department and SPPM the best opportunity for project success. As there are no changes to the in-water work of the previously approved project, the 2019 SPPM Addendum does not trigger the need for any additional National Environmental Policy Act (NEPA) analysis.

2. Background

2.1.1 Facility Overview

The San Pedro Public Market project, considered in the 2016 SPPM Addendum, would involve the redevelopment of Ports O' Call in the Port of Los Angeles as part of the San Pedro Waterfront (SPW) Project. The SPPM project consists of approximately 45 acres within the SPW Project area between the Los Angeles Harbor's Main Channel and Sampson Way from Berths 73Z to 83 (Figure 1).

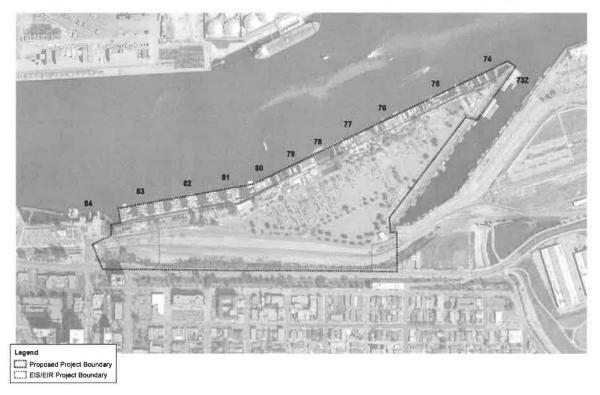


Figure 1 - SPPM Project Area

3. Proposed Revised Project

The 2019 SPPM Addendum serves to extend the duration of the L915 with SPPM for an additional 16 years, equating to a 66-year lease. The previous analysis done in the 2016 SPPM Addendum studied a 50-year lease, which was the longest entitlement length allowed at that time. Since the 2016 analysis, state and local laws have extended the maximum duration of entitlement from 50 years to 66 years. SPPM seeks to amend their lease and allow for the full maximum allowed by state and local laws. An amendment to a Lease with negligible or no expansion of use, including the extension in operational years, would normally qualify for a Categorical Exemption under CEQA; however, this site is precluded from using such exemption due to a portion of the property appearing on the state Cortese List (Section 65962.5 of the Government Code) due to an earlier underground tank leak. As such, the 2019 SPPM Addendum has been prepared to disclose the lease extension for the site. Additionally, there have been minor changes to the design, timing, and phasing of the overall project. These changes are within the scope of the proposed projects analyzed under the 2009 EIR and 2016 SPPM Addendum.

4. Purpose

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 Code of Regulation Title 14, Section 15000 et seq.), and focuses on changes to the original project description and any impacts that would occur as a result of the Proposed Revised Project. The scope of analysis contained within this Addendum addresses all environmental resource areas.

This analysis has determined that none of the conditions set forth in CEQA Guidelines Section 15162 calling for the preparation of a subsequent EIR or negative declaration would occur as a result of the above described changes and additions. There are no new significant environmental effects and no substantial increase in the severity of previously identified significant effects that would occur as a result of the Proposed Revised Project. There are no known mitigation measures or alternatives that were previously considered infeasible but are now considered feasible that would substantially reduce one or more significant effects on the environment previously identified in the Final Environmental Impact Report (EIR). Similarly, there are no known mitigation measures or alternatives that are considerably different than those required by the adopted Final EIR that would substantially reduce one or more significant effects on the environment identified in the adopted Final EIR. Therefore, neither a subsequent EIR nor negative declaration, as defined under California Environmental Quality Act (CEQA) Sections 15162 is required. An Addendum to the Final EIR, as permitted under Section 15164, is appropriate.

An Addendum need not be circulated for public review but can be included in or attached to the adopted Final EIR. The decision-making body considers the Addendum prior to making a decision on the project along with the previously adopted EIR.

Specifically, Section 15162 of the State CEQA Guidelines states that, for a project covered by a certified EIR or adopted negative declaration, no subsequent EIR or negative declaration shall be prepared for that project unless the Lead Agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

- 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; or
- 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 or negative declaration;
 - 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 or negative declaration would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

5. Scope and Content

This Addendum describes all of the affected environmental resources and evaluates the changes in the impacts that were previously described in the Final EIR and the 2016 Addendum for the San Pedro Public Market with respect to the changes to the approved project.

For purposes of determining whether new or substantially more severe "significant effects" would occur under CEQA Guidelines Section 15162, the criteria for determining whether environmental effects would be significant in this analysis are the same as the significance thresholds contained within the adopted EIR.

The analysis in this Addendum focuses on the changes to the impacts that would occur as a result of the proposed revised Project. The following resource topics were evaluated in the preparation of the Final EIR and 2016 Addendum for the San Pedro Public Market. Due to the 2019 CEQA Guidelines Checklist update, project headings may not exactly match those listed in the 2009 EIR or the 2016 Addendum. The following resources areas have been re-evaluated as part of this Addendum:

- Aesthetics
- Agriculture and Forestry Resources
- Air Quality
- Biological Resources
- Cultural Resources
- Energy (previously included in Air Quality)
- Geology and Soils
- Greenhouse Gas Emissions (previously in Air Quality)
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use and Planning
- Mineral Resources
- Noise
- Population and Housing
- Public Services
- Recreation
- Transportation
- Tribal Cultural Resources (previously in Cultural Resources)
- Utilities and Service Systems

The following resource topic area has been recently added to the CEQA Guidelines Checklist and was not evaluated in the preparation of the Final EIR. As such, the following resource area has been evaluated as part of this Addendum:

Wildfire

6. Previous Environmental Documents Incorporated by Reference

Consistent with Section 15150 of the California State CEQA Guidelines, the following document, available for review at the Port of Los Angeles Environmental Management Division, was used in preparation of this Addendum and is incorporated herein by reference:

- Port of Los Angeles. 2008, September. San Pedro Waterfront Project Draft EIS/EIR (SCH No. 2005061041).
- Port of Los Angeles. 2009, September. San Pedro Waterfront Project Findings of Fact and Statement of Overriding Considerations.
- Port of Los Angeles. 2009, September. San Pedro Waterfront Project Mitigation Monitoring and Report and Program.
- Port of Los Angeles. 2009, September. San Pedro Waterfront Project Final EIS/EIR (SCH No. 2005061041).
- Port of Los Angeles. 2011, November. Addendum to the San Pedro Waterfront Project Final EIR/EIS Warehouse Nos. 9 and 10, Crafted at the Port of Los Angeles.
- Port of Los Angeles. 2015, June. Addendum to the San Pedro Waterfront Project Final EIR/EIS Harbor Boulevard/7th Street/Sampson Way Intersection Improvements (SCH No. 2005061041, APP No. 041122-208).
- Port of Los Angeles. 2016, May. Addendum to the San Pedro Waterfront Project Final EIR/EIS for the San Pedro Public Market Project.
- Port of Los Angeles. 2016, August. Addendum to the San Pedro Waterfront Project EIR for the Los Angeles Maritime Institute Relocation Project.
- Port of Los Angeles. 2017, June. Addendum to the San Pedro Waterfront Project EIR for the Jankovich Company Relocation Project.

7. Required Permits and Approvals

The following permits and approvals would be required for the Proposed Revised Project:

• Amendment to LAHD Lease 915

8. Environmental Analysis

The analysis contained herein demonstrates and provides substantial evidence that no significant impacts are present, nor would the severity of other impact areas be increased by the revised proposed project. Below is a discussion of all resource areas analyzed in the Final EIR and 2016 Addendum for the San Pedro Public Market and a discussion of why the impact determinations made in the EIR and 2016 Addendum would not be affected by the revised proposed project.

8.1 Aesthetics

The revised proposed project is extending the currently permitted and analyzed use of the site for an additional 16 years. The extension of this Lease will not result in any changes to the proposed aesthetic of the previously approved project. As such, the revised proposed project would not cause any change to the impact determination made in the Final EIR and the 2016 Addendum for the San Pedro Public Market.

8.2 Agriculture and Forestry Resources

The revised proposed project would not have any impact on Agriculture and Forestry resources as the project area is not located in any area zoned for agricultural use and does not change the existing use of the surrounding area in any way or beyond what was previously analyzed in the Final EIR and the 2016 Addendum for the San Pedro Public Market.

8.3 Air Quality

The extension of this Lease will not result in any changes to the proposed operation of the previously approved project. Future operations described at the site are anticipated to continue for the additional 16 years as disclosed in the 2009 EIR and 2016 Addendum. Additionally, source emissions would decrease in future years due to more stringent regulatory requirements and equipment turnover. As such, the revised proposed project would not cause any change to the impact determination for Air Quality made in the Final EIR and 2016 Addendum for the San Pedro Public Market.

8.4 Biological Resources

The extension of this Lease will not result in any changes to biological resources compared to the previously approved project. As such, the continuation of the existing Lease with San Pedro Public Market would not cause any change in impact determinations from the Final EIR and 2016 Addendum for the San Pedro Public Market.

8.5 Cultural Resources

The revised proposed project will not result in any changes to cultural resources compared to the previously approved project. As such, the continuation of the existing Lease with San Pedro Public Market would not cause any change in impact determinations from the Final EIR and 2016 Addendum for the San Pedro Public Market.

8.6 Energy

The revised proposed project would not change the previously approved construction and operation of the site. The continued future operation of the SPPM is not anticipated to result in wasteful, inefficient, or unnecessary consumption of energy resources nor would it conflict with or obstruct a state or local plan for renewable energy or energy efficiency.

8.7 Geology and Soils

Since the revised proposed project does not include any development, the revised proposed project would not result in exposure of people or structures to substantial adverse effects, substantial soil erosion or loss of topsoil, or located on a geological unit that is unstable or would become unstable. As such, the continuation of the existing Lease with San Pedro Public Market would not cause any change in impact determinations from the Final EIR and 2016 Addendum for the San Pedro Public Market.

8.8 Greenhouse Gas Emissions

The extension of this Lease will not result in any changes to the proposed operation of the previously approved project. Future operations described at the site are anticipated to continue for the additional 16 years as disclosed in the 2009 EIR and 2016 Addendum. Additionally, source emissions would decrease in future years due to more stringent regulatory requirements and equipment turnover. As such, the revised proposed project would not cause any change to the impact determination for greenhouse gas emissions made in the Final EIR and 2016 Addendum for the San Pedro Public Market.

8.9 Hazards and Hazardous Materials

Impacts related to compliance with applicable regulations and policies and accidental spill, release, or explosions during operation were determined to be less than significant. Additionally, impacts related to emergency response or evacuation plans and accidental spill, release, or explosions as a result of a tsunami or terrorist action were found to be less than significant. The revised proposed project will not result in any changes to hazards and hazardous materials compared to the previously approved project. As such, the continuation of the existing Lease with San Pedro Public Market would not cause any change in impact determinations from the Final EIR and 2016 Addendum for the San Pedro Public Market.

8.10 Hydrology and Water Quality

The extension of this Lease will not result in any changes to the proposed operation of the previously approved project. Future operations described at the site are anticipated to continue for the additional 16 years as disclosed in the 2009 EIR and 2016 Addendum. As such, the revised proposed project would not cause any change to the impact determination for hydrology and water quality made in the Final EIR and 2016 Addendum for the San Pedro Public Market.

8.11 Land Use and Planning

The revised proposed project would not cause a physical divide to an established community nor would it conflict with any plan, policy, or regulation as the site is consistent with City zoning and the Port Master Plan's land use. As such, the revised proposed project would not cause any change to the impact determination for land use and planning made in the Final EIR and 2016 Addendum for the San Pedro Public Market.

8.12 Mineral Resources

There are no known mineral resources near the revised proposed project that would be impacted due to this development. As such, the revised proposed project would not cause any change to the impact determination for mineral resources made in the Final EIR and 2016 Addendum for the San Pedro Public Market.

8.13 Noise

The extension of this Lease will not result in any changes to the proposed operation and noise generating activities of the previously approved project. As such, the revised proposed project would not cause any change to the impact determination for Noise made in the Final EIR and 2016 Addendum for the San Pedro Public Market.

8.14 Population and Housing

The revised proposed project would not induce population growth, displacement of existing housing or a substantial number of people. As such, the revised proposed project would not cause any change to the impact determination for population and housing made in the Final EIR and 2016 Addendum for the San Pedro Public Market.

8.15 Public Services

The revised proposed project would not result in any impacts to the performance of fire protection, police protection, schools, parks, or other public facilities beyond what has previously been evaluated. As such, the revised proposed project would not cause any change to the impact determination for public services made in the Final EIR and the 2016 Addendum for the San Pedro Public Market.

8.16 Recreation

The revised proposed project would not increase demand on existing recreational facilities nor require the construction of new recreational facilities. As such, the revised proposed project would not cause any change to the impact determination for recreation made in the Final EIR and 2016 Addendum for the San Pedro Public Market.

8.17 Transportation

The State CEQA Guidelines were modified in December 2018. The CEQA Checklist (i.e., Appendix G) has shifted its focus from level of service standards and travel demand measures to vehicle miles traveled (VMT). VMT is defined as "the amount and distance of automobile travel attributable to a project." (State CEQA Guidelines, Section 15064.3) As a result, this CEQA analysis does not look at Level of Service of local roadways intersections; but rather, has evaluated potential VMT impacts attributable to the revised proposed project.

Worker and consumer trips and associated daily average VMT was disclosed in the Final EIR as part of the air quality analysis (Final EIR, Appendix D1: Criteria Pollutant Emissions). The estimate of worker and consumer related trips is not anticipated to change with additional operational years. Therefore, worker and consumer counts and associated VMT would remain the same. As such, the revised proposed project would not cause any change to the impact determination for Transportation made in the Final EIR and the 2016 Addendum for the San Pedro Public Market.

The revised proposed project does not include any marine related Transportation. As such, the Marine Transportation impact determination made in the Final EIR and the 2016 Addendum for the San Pedro Public Market would not change.

8.18 Tribal Cultural Resources

The extension of this Lease will not result in any changes to the proposed operation and development activities of the previously approved project. The extension of the current Lease will not cause a substantial adverse change in the significant of a tribal cultural resource. As such, the revised proposed project would not cause any change to the impact determination previously listed in the cultural resources section of the Final EIR and 2016 Addendum for the San Pedro Public Market.

8.19 Utilities and Service Systems

The revised proposed project would not have any impact on the current wastewater treatment facilities nor would it require the construction of an additional wastewater facility. No new demands on water supply are anticipated beyond what was previously assessed. As such, the revised proposed project would not cause any change to the impact determination for utilities and service systems made in the Final EIR and the 2016 Addendum for the San Pedro Public Market.

8.20 Wildfire

If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:

- a) Substantially impair an adopted emergency response plan or emergency evacuation plan?
- b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?
- c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines, or other utilities) that may exacerbate fire risks or that may result in temporary or ongoing impacts to the environment?
- d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?

The Port of Los Angeles is not located in or near a state responsibility area or lands classified as very high fire hazard severity zones (California Fire, 2016; Los Angeles Fire Department, 2019). Therefore, this section of the CEQA Guidelines checklist does not apply. However, the revised proposed project would not impair an adopted emergency response plan or emergency evacuation plan or exacerbate wildfire risks. Therefore, the revised proposed project would have no impact on wildfire.

9. Cumulative Impacts

In addition to the comprehensive list of related and cumulative projects (Table 4-1 and Figure 4-1 of the SPW Project EIS/EIR), the applicant has proposed a future concert venue at the site. This would require a Subsequent Environmental Impact Report to analyze the environmental impacts for the addition of an approximately 6,000-person concert venue. This project is separate from the revised proposed project described in this Addendum because the 16-year extension to the lease be required for ultimate project success, regardless of the concert venue. This concert venue would replace the Discovery Park, previously analyzed in the 2016 Addendum. This subsequent analysis would include an in-depth analysis of all potential impacts associated with the development and operation of the proposed concert venue. As such, project level and cumulative impacts associated with the future concert venue would be addressed in the proposed future subsequent EIR in a manner as required by CEQA.

The revised proposed project would not result in new significant impacts, substantially increase the severity of a previously analyzed impact, or require new mitigation measures that have not already been evaluated in the SPW Project EIS/EIR and 2016 Addendum. The analysis shows that the 16-year Lease extension would not affect any of the Project-specific impact determinations made in the SPW Project EIS/EIR and 2016 Addendum. As such, the modified SPPM Project would also not affect most of the cumulative impact determinations made in the SPW Project EIS/EIR.

10. Conclusions

The revised proposed project extends the current 50-year Lease by 16-years. Additionally, there have been minor changes to the design, timing, and phasing of the overall project. All other changes have all been assessed under the 2016 SPPM Addendum and are mentioned here for information only. None of the conditions as described under Section 15162 of the State CEQA Guidelines requiring a subsequent EIR or negative declaration have occurred under the revised proposed project. No substantial changes to impact areas previously analyzed in the Final EIR would occur as a result of the revised proposed project. Furthermore, there are no known mitigation measures or project alternatives that were previously considered infeasible but are now considered feasible that would substantially reduce one or more significant effects on the environment identified in the adopted Final EIR. For these reasons, the proposed modifications would create no potential adverse impacts or substantial changes to impact areas previously analyzed in the Final EIR.

11. References

- California Fire. 2016. State Responsibility Area Viewer. https://bof.fire.ca.gov/projects-and-programs/state-responsibility-area-viewer/ [Accessed 4 Nov. 2019].
- Los Angeles Fire Department. 2019. Fire Zone Map. https://www.lafd.org/fire-prevention/brush/fire-zone/fire-zone-map [Accessed 4 Nov. 2019].
- Port of Los Angeles. 2008, September. San Pedro Waterfront Project Draft EIS/EIR (SCH No. 2005061041).
- Port of Los Angeles. 2009, September. San Pedro Waterfront Project Findings of Fact and Statement of Overriding Considerations.
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- Stevens, Theresa. (United States Army Corps of Engineers) (Personal Communication, November 7, 2019).