



Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: APRIL 5, 2016**

**FROM: ENVIRONMENTAL MANAGEMENT**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - ADOPTION OF THE FINAL INITIAL STUDY/NEGATIVE DECLARATION AND APPROVAL OF THE BERTHS 177-178 TRANSIT SHED DEMOLITION PROJECT (LOS ANGELES HARBOR DEPARTMENT APPLICATION FOR PORT PERMIT NO. 150716-083; STATE CLEARING HOUSE NO. 2016031004)**

**SUMMARY:**

Staff recommends that the Board of Harbor Commissioners (Board) adopt the Final Initial Study/Negative Declaration (IS/ND) for the proposed Berths 177-178 Transit Shed Demolition Project (Project), and approve the proposed Project as described in the Final IS/ND.

The Berths 177-178 cargo transit shed is a 135,000-square-foot structure located at 802 S. Fries Avenue in Wilmington. The transit shed is a part of the 40-acre omni-terminal operated by Pasha Stevedoring and Terminals (PST) comprising Berths 174-181. PST has used the transit shed to store steel sheets, coils and other breakbulk cargo as part of their terminal operations since 1986. The transit shed sustained significant damage from a fire that occurred in September 2014, and has since remained vacant and been deemed unusable. After inspection, the City of Los Angeles Harbor Department (Harbor Department) determined that the most cost effective option for the building was demolition.

The proposed Project solely involves the demolition of the transit shed. Upon Project completion the structure's foundations will be left in place and the open property will again be used for the handling and storage of cargo. The entire demolition process, including lead and asbestos abatement procedures, will take approximately 50 days to complete. A historic resource evaluation was completed in August 2015 and determined that the transit shed is not a structure of historical significance due to its history of extensive alterations and damage.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that, pursuant to the State California Environmental Quality Act Guidelines Section 15074, the Final Initial Study/Negative Declaration for the Berths 177-178 Transit Shed Demolition Project has (a) been completed in compliance with the

**DATE: APRIL 5, 2016**

**PAGE 2 OF 5**

**SUBJECT: FINAL INITIAL STUDY/NEGATIVE DECLARATION AND APPROVAL  
OF THE BERTHS 177-178 TRANSIT SHED DEMOLITION PROJECT**

State California Environmental Quality Act Guidelines and the Los Angeles City California Environmental Quality Act Guidelines; (b) was presented to the Board for review and was reviewed and considered by the Board prior to approving the proposed Project; and (c) reflects the independent judgment and analysis of the City of Los Angeles Harbor Department as the Lead Agency;

2. Find that, based on the whole record before it, including (a) the information contained in this report; and (b) the Final Initial Study/Negative Declaration for the Berths 177-178 Transit Shed Demolition Project, the proposed Project would not have a significant effect on the environment pursuant to Public Resources Code Section 21080 and State California Environmental Quality Guidelines Section 15070;
3. Find that all information added to the Final Initial Study/Negative Declaration after the public review period, but before adoption, merely clarifies, amplifies, or makes insignificant modifications, and that recirculation is not necessary;
4. Adopt the Final Initial Study/Negative Declaration for the Berths 177-178 Transit Shed Demolition Project;
5. Authorize the Environmental Management Division to file the Notice of Determination for the subject proposed Project with the Los Angeles City and County Clerks;
6. Approve the Berths 177-178 Transit Shed Demolition Project; and
7. Adopt Resolution No. \_\_\_\_\_.

**DISCUSSION:**

Project Background/Context - Originally built in 1924, the Berths 177-178 transit shed has been used by PST since 1986 to handle and store breakbulk cargo as part of their terminal operations. On September 22, 2014, the wharf underneath the transit shed caught fire. The fire caused extensive damage to both the transit shed and the underlying wharf, burning directly under the shed and causing the collapse of areas of the flooring. Berths 177-178 were evacuated and the property has remained vacant since that time, with PST continuing its cargo operations using its other available berths in the Port of Los Angeles (Port). As a result of the inspections conducted after the fire, the Harbor Department was faced with either costly retrofits on a damaged building or demolition of the structure. The Harbor Department determined that the most cost-effective approach for the structure was demolition.

**DATE: APRIL 5, 2016**

**PAGE 3 OF 5**

**SUBJECT: FINAL INITIAL STUDY/NEGATIVE DECLARATION AND APPROVAL  
OF THE BERTHS 177-178 TRANSIT SHED DEMOLITION PROJECT**

Project Objectives - The objective of the proposed Project is to demolish and remove the damaged transit shed. It is currently a safety hazard and cannot be used or occupied. The building will be demolished with the foundations left in place so that the property can again be used for breakbulk cargo handling and storage as part of PST's omni-terminal at Berths 174-181. The underlying wharf at Berths 177-178 is also in need of repair and will be restored in a separate project in FY 16/17.

Project Description - The proposed Project solely involves the demolition of the transit shed and will take approximately 50 days to complete in total. Prior to commencement of demolition proper abatement and removal procedures will be completed for the lead-based paints and asbestos-containing materials that were identified within the transit shed. Demolition of the 135,000-square-foot structure will be completed in sections, starting from one end of the transit shed and progressing to the other. All existing utility lines will be capped off. Included in the demolition will be the removal of 88 interior steel columns; these columns will be removed to the top of the asphalt concrete with a slurry seal patch to cover the holes. The building will be demolished to top of the pavement and there will be no removal or demolition of any structures below the asphalt concrete. No grading or fill will be required.

**ENVIRONMENTAL ASSESSMENT:**

California Environmental Quality Act (CEQA) Documentation and Public Involvement - The Harbor Department as the CEQA Lead Agency has prepared an IS/ND for the proposed Project which contains the following: a description of the proposed Project and location, an initial study checklist, an analysis of potential impacts and proposed findings.

The Draft IS/ND, dated March 1, 2016, was circulated for public review and comment for a period of 30 days beginning on March 1, 2016, and ending on March 31, 2016. In accordance with State CEQA Guidelines §15072, a Notice of Intent (NOI) to adopt the IS/ND was issued on March 1, 2016. Approximately 150 notices were mailed to agencies, stakeholders, neighbors and other interested parties. The notice and accompanying Draft IS/ND was filed with the Los Angeles City and County Clerks and was made available for public review on the Port of Los Angeles website at: <http://www.portoflosangeles.org>; at the City of Los Angeles Harbor Department Environmental Management Division at 222 West 6<sup>th</sup> Street, San Pedro, CA 90731; at the Los Angeles City Library, San Pedro Branch at 931 S. Gaffey Street, San Pedro, CA 90731; and at the Los Angeles City Library, Wilmington Branch at 1300 North Avalon, Wilmington, CA 90744. Notice of the comment period was also advertised in the following six newspapers: Los Angeles Times, Long Beach Press Telegram, Torrance Daily Breeze, Metropolitan News Enterprise, Hoy, and Random Lengths. Pursuant to State CEQA Guidelines § 15073, the Draft IS/ND was submitted to the State

**DATE: APRIL 5, 2016**

**PAGE 4 OF 5**

**SUBJECT: FINAL INITIAL STUDY/NEGATIVE DECLARATION AND APPROVAL  
OF THE BERTHS 177-178 TRANSIT SHED DEMOLITION PROJECT**

Clearinghouse for review by state agencies. A public hearing was not conducted during the public review period for the Draft IS/ND and is not required pursuant to State CEQA Guidelines § 15202.

Public Comments Received and Response to Comments - There was one public comment letter received on this item from the California Department of Transportation. The letter concurred with the transportation analysis presented in the Draft IS/ND and provided standard recommendations for stormwater control and obtaining Caltrans permits for the use of oversize-transport vehicles. Based on the comments provided, staff identified no new environmental effects that were not assessed in the Draft IS/ND. Changes added to the Final IS/ND after the public review period merely clarify, amplify, or make insignificant modifications.

Finding and Conclusions - The Final IS/ND includes a discussion of the proposed Project's effects on the existing environment. No significant effects on the environment were identified and no mitigation is required.

Record of Proceedings - When adopting an IS/ND as required by State CEQA Guidelines §15074, the public agency shall specify the location and custodian of the documents or other material, which constitute the record of proceedings upon which its decision is based. These records are in the care of the Director of Environmental Management, City of Los Angeles Harbor Department, 222 West 6<sup>th</sup> Street, San Pedro, CA.

Notice of Determination - In accordance with Los Angeles City CEQA Guidelines, Article I, and the State CEQA Guidelines §15075, a Notice of Determination will be filed with the Los Angeles City and County Clerks after the proposed Project is approved. The filing of the Notice of Determination starts a 30-day statute of limitations on court challenges to the approval under CEQA.

**FINANCIAL IMPACT:**

The cost estimate for the demolition (including lead and asbestos abatement) is \$2,531,250 with associated soft costs of \$495,000 to bring the total to \$3,026,250 which will be borne by the Harbor Department. Funds in the amount of \$2,531,250 for the demolition have been budgeted for the proposed Project in Account 54010, Center No. 0311, and Program No. 309 whereas \$495,000 in related soft costs have been budgeted in other accounts that are available for this Project. The Harbor Department received an insurance payment of \$1,168,513 for the transit shed from FM Global, which will partially offset the total Project costs.

DATE: APRIL 5, 2016

PAGE 5 OF 5

SUBJECT: FINAL INITIAL STUDY/NEGATIVE DECLARATION AND APPROVAL  
OF THE BERTHS 177-178 TRANSIT SHED DEMOLITION PROJECT

**CITY ATTORNEY:**

Based upon the information presented to the City Attorney's Office, the Board may certify that the Final Initial Study/Negative Declaration has been completed in compliance with CEQA.

**TRANSMITTALS:**

1. Final Initial Study/Negative Declaration

FIS Approval: MB (initials)  
CA Approval: MB (initials)

*Lisa Ochsen for*

CHRISTOPHER CANNON  
Director of Environmental Management

*Michael DiBernardo*

MICHAEL DiBERNARDO  
Deputy Executive Director

APPROVED:

*Eugene D. Seroka*  
EUGENE D. SEROKA  
Executive Director

CC/yo  
AUTHOR: MILLER ZOU  
APP NO.: 151203-136

FILE: Y:\ADMIN\BOARD REPORTS\CEQA\B 177-178 TRANSIT SHED DEMO IS\_ND\ENV\_TRANSIT SHED DEMO - FINAL.docx  
UPDATED: 4/5/2016 12:27 PM - MRX