



ATTACHMENT 2
Port of Long Beach

4801 Airport Plaza Drive
Long Beach, CA 90815

Legislation Text

File #: HD-18-034, **Version:** 1

DATE: 1/22/2018

TO: Board of Harbor Commissioners

FROM: Heather A. Tomley, Director of Environmental Planning

SUBJECT: Receive and File Supporting Documentation into the Record and Conduct a Public Hearing on the Project, and Adopt a Resolution Certifying the Final Environmental Impact Report for the Pier B On-Dock Rail Support Facility and Making Findings, Adopt a Statement of Overriding Considerations, a Mitigation Monitoring and Reporting Program, an Application Summary Report, and Approve the Project and a Level III Harbor Development Permit #07-021.

Executive Summary

The Final Environmental Impact Report (EIR) for the Pier B On-Dock Rail Support Facility project (proposed Project) was prepared in accordance with the California Environmental Quality Act (CEQA). The proposed Project would reconfigure and expand the existing Pier B Rail Yard. The improved facility would maximize on-dock intermodal operations by providing a sufficient facility to accept and handle longer container trains to accommodate the expected demand of cargo to be moved via on-dock rail. Prior to approving the proposed Project (or one of its alternatives), the Board will need to certify the EIR, make specific findings regarding the significant environmental impacts of the proposed Project and mitigation measures to reduce or avoid such impacts, adopt a Statement of Overriding Considerations, adopt a Mitigation Monitoring and Reporting Program to track mitigation, and approve the Application Summary Report and Level III Harbor Development Permit in accordance with the California Coastal Act.

Key Points

- Staff recommends that the Board certify the Final EIR in accordance with CEQA and approve the proposed Project to reconfigure and expand the existing Pier B Rail Yard to maximize on-dock intermodal operations by providing a sufficient facility to accept and handle longer container trains to accommodate the expected demand of cargo to be moved via on-dock rail.
- The attached findings have been drafted for the approval of the proposed Project; if the Board wishes to adopt one of the alternatives, the staff would need to provide the Board with revised findings.
- The Draft EIR for the proposed Project was released on December 16, 2016 for a 90-day public review period which ended on March 13, 2017; this is twice the required review period.
- Three public meetings were held to gather comments on the Draft EIR on January 11, 2017, January 18, 2017, and February 15, 2017.
- The potential environmental effects of the proposed Project are addressed in the Draft EIR which are anticipated to remain significant following mitigation include: (1) Air quality emissions associated with proposed Project construction and operational activities; (2) Greenhouse gas emissions associated with proposed Project construction and operations.
- The Final EIR was released on January 12, 2018 and is available for review on the Port's website at

www.polb.com/ceqa <<http://www.polb.com/ceqa>>.

Recommendation ..Title

Take the following actions related to the Pier B On-Dock Rail Support Facility Project: (1) Receive and File Supporting Documentation into the Record and Conduct a Public Hearing on the Project, and (2) Adopt a Resolution Certifying the Final Environmental Impact Report for the Pier B On-Dock Rail Support Facility and Making Findings, Adopt a Statement of Overriding Considerations, a Mitigation Monitoring and Reporting Program, an Application Summary Report, and Approve the Project and a Level III Harbor Development Permit #07-021.

Financial Impact

There are no additional financial impacts related to certification of the Final EIR in and of itself. Implementation of the proposed Project would require the Board to take the steps necessary to proceed with acquiring all of the properties within the footprint of the selected project alternative. The Board is not considering that issue at this hearing. Additional steps would be necessary before the Board would consider the actual acquisition of property for the proposed Project. Following Board action, if the project is approved, Engineering will proceed with additional design work and, in accordance with the Port's Program/Project Budget Approval and Accounting Policy, develop a Baseline Program Budget for the approved project alternative and present this for the Board's approval at a future meeting. That preliminary budget will include costs for property procurement, utility relocation, and project design and construction. Initial estimates have identified the potential costs for the proposed Project and the alternatives ranging from \$540 million to approximately \$820 million.

Background

In 2009, the Port released a Notice of Preparation for the proposed Project to enhance rail operations and the capacity and efficiency of rail facilities at the existing Pier B Rail Yard. In accordance with CEQA, an EIR was prepared to evaluate the environmental effects of the implementation of the proposed Pier B On-Dock Rail Support Facility Project (hereinafter "Project," "proposed Project," or "12th Street Alternative"). The Draft EIR was released to the public on December 16, 2016, and a 90-day public review period ended on March 13, 2017.

The Port of Long Beach has a goal to maximize on-dock intermodal operations to reach its long-term goal of 30 to 35 percent of containers handled by on-dock rail. This objective is defined in the 2006 Port Rail Study Update (POLA and POLB, 2006). As noted in Draft EIR Section 1.2.8, the rail yards within the marine terminals do not have sufficient storage tracks to accommodate the longer 10,000-foot-long trains. The Pier B Rail Yard is the only existing POLB facility that provides rail support to the marine terminals, but it does not have the necessary storage tracks or sufficient track lengths to handle the longer trains; therefore, it would require substantial expansion in size and function to be fully useful in improving Port rail operations.

An evaluation of a full range of alternatives was conducted in the analysis of the EIR. A screening process was used to arrive at a reasonable range of alternatives based on their ability to support the on-dock rail terminals and to meet the operational requirements, while at the same time reducing impacts on surrounding facilities and communities. The EIR analyzed four project alternatives:

12th Street Alternative (proposed Project)

The proposed Project would be constructed in three phases over an estimated seven years. Components of the proposed Project would include:

- Adding 31 yard tracks and five arrival/departure tracks, thereby expanding the yard from an existing 12

tracks (2 main line tracks, 10 yard tracks, and no arrival/departure tracks) to a total of 48 tracks (2 main tracks, 41 yard tracks, and 5 arrival/departure tracks);

- Providing for up to 10,000-foot long receiving/departure tracks;
- Providing storage tracks for empty rail cars required to support on-dock intermodal operations and an assembly area for departing trains. Providing staging tracks for non-intermodal cars bound to and from non-container terminals.
- Widening the existing rail bridge over Dominguez Channel to accommodate one additional track.
- Constructing an area for locomotive refueling within the yard using tanker truck locomotive refueling vehicles, loaded with fuel offsite; and
- Realigning and closing some roadways, including closure of the existing at-grade 9th Street railroad grade crossing and removal of the Shoemaker ramps.

In addition to the proposed Project, the following alternatives were also analyzed in the EIR:

10th Street Alternative

The 10th Street Alternative would be constructed in three phases over an estimated seven years. Railroad track work involved with the 10th Street Alternative would be similar to the proposed Project with some exceptions, including:

- Nineteen yard tracks and three arrival/departure tracks would be added, thereby expanding the yard to a total of 34 tracks (2 main tracks, 29 yard tracks, and 3 arrival/departure tracks).
- Fewer realignments and road closures would be needed; the Shoemaker ramps would remain and would be realigned to land at Harbor Avenue.
- Rail operations would be similar to the proposed Project; however, there would be differences in the overall number of tracks available for storage of rail cars (i.e., both loaded and empty).

9th Street Alternative

The 9th Street Alternative would be constructed in two phases over an estimated three years. Railroad track work involved with the 9th Street Alternative would be similar to the proposed Project with some exceptions, including:

- Six yard tracks and three arrival/departure tracks would be added, thereby expanding to a total of 21 tracks (2 main tracks, 16 yard tracks, and 3 arrival/departure tracks).
- The Dominguez Channel rail bridge would not be widened; new track would not be added.
- Fewer realignments and road closures would be needed; the Shoemaker ramps would remain as currently configured.

No Project Alternative

Under the No Project Alternative, no improvements would be made to the Pier B Rail Yard beyond normal maintenance and repairs. As the on-dock volumes increase, there would be an increase in demand for on-dock container handling and supporting rail facilities, which the existing Pier B Rail Yard, without expansion, would not be able to handle effectively. Once the rail yard has reached a point at which it can no longer effectively support the efficient assembly/disassembly and departure/arrival of container trains, the remaining outgoing cargo would need to be transported by trucks to near-dock or the downtown rail yards. This would result in continuing increases in truck trips and associated truck-related emissions. In addition, the at-grade crossing located at the intersection of 9th Street and Pico Avenue would continue to force extra train movements (i.e., for splitting and building trains) in order to keep the road open, which would continue to limit the ability of the Port to efficiently receive and depart intermodal trains.

Discussion of Current Issues

Based on public comments received following release of the Draft EIR and in an effort to reduce the amount of property that would need to be acquired, the Port refined the boundaries of the 12th Street Alternative (proposed Project) and the 10th Street Alternative. This reduced the number of property acquisitions that would be required for the proposed Project or the 10th Street Alternative if either is approved and ultimately implemented. In addition, the West Yard Layover and Fueling Area proposed in the Draft EIR has been eliminated in the 12th Street Alternative (proposed Project), 10th Street Alternative, and 9th Street Alternative. As a result of these changes, the proposed Project has been reduced in size by approximately 11 acres and the 10th Street Alternative has been reduced by approximately 7 acres. Comparisons of the revised boundaries for the proposed Project and for the 10th Street Alternative, to the boundaries shown in the Draft EIR are provided on Figures 10.1-1 and 10.1-2 of the Final EIR.

The modifications would not result in any new significant environmental impacts or a substantial increase in the severity of an existing environmental effect. The changes are consistent with the findings contained in Chapter 3 (Environmental Setting and Project Impacts) of the Draft EIR. No new alternatives have been identified that would reduce significant environmental effects of the proposed Project. The air quality and health impacts of the proposed modifications were re-evaluated, and would not result in any change to the impact findings in the Draft EIR (the analysis is described in response to South Coast Air Quality Management District comment AQMD-5 in Chapter 11). Therefore, recirculation of the Draft EIR is not warranted, consistent with Public Resources Code (PRC) Section 21092.1 and CEQA Guidelines Section 15088.5.

Public Review Process

In accordance with CEQA Guidelines, the Port issued a Notice of Preparation (NOP) and Initial Study (IS) for the proposed Project on August 20, 2009, initiating a project scoping comment period through September 25, 2009. The NOP described the Project, potential environmental impacts, solicited public input on environmental issues to be addressed in the EIR, and announced two public scoping meetings. The Port conducted the first public scoping meeting on September 2, 2009 at the Council Chamber at Long Beach City Hall, and a second scoping meeting on September 16, 2009 at the Port of Long Beach Administration Building. Twenty-three oral comments were received during the two scoping meetings and thirty-two comment letters were received during the scoping comment period. The comments received covered topics including air quality, noise, impacts to existing businesses, hazardous materials, and cumulative impacts.

The *Notice of Completion, Availability, Comment Period, and Public Meeting for the Pier B On-Dock Rail Support Facility Project Draft EIR/Application Summary Report* was released to the public on December 16, 2016. Section 15105 of State CEQA Guidelines requires that the review period for a Draft EIR submitted to the State Clearinghouse shall not be less than 45 days. The Port of Long Beach exceeded this requirement by initially establishing a 60-day public review period originally scheduled to end on February 13, 2017. The Draft EIR for the proposed Project was made available for public review at various libraries in the Cities of Long Beach, San Pedro, and Wilmington and is available in electronic format on the Port's website at www.polb.com/ceqa.

On January 26, 2017, after learning that certain persons did not receive the initial notice, the Port released an *Amended Notice of Completion, Availability, comment period, and Public Meeting for the Pier B On-Dock Rail Support Facility Project Draft EIR/Application Summary Report*. The public review period was therefore extended to 90 days, scheduled to end on March 13, 2017. The notices were also published in the local newspaper, The Press-Telegram on December 15, 2016, January 8, 2017, January 27, 2017, and February 12, 2017. The Port held three public meetings to gather public comment on the Draft EIR on January 11, 2017,

January 18, 2017, and on February 15, 2017.

The Port received comments from 48 organizations/interested parties during the public review period. Port staff and environmental consultants have responded in writing to all comments received in the Draft EIR, and the responses were circulated to all the commenters 10 days prior to this hearing as required by CEQA (California Public Resources Code § 21092.5(a)).

Environmental Impacts of the Project

The Final EIR identified certain potentially significant effects that could result from the proposed Project. Although most potentially significant environmental impacts of the proposed Project will be rendered less than significant through mitigation measures, the following proposed Project impacts are considered to be significant and unavoidable:

Air Quality and Health Risk - Construction and operation of the proposed Project would produce CO and NO_x air emissions and NO₂ concentrations that exceed South Coast Air Quality Management District (SCAQMD) regional significance thresholds.

Global Climate Change - Greenhouse gas emission from construction and operation of the Proposed Project would remain higher than the SCAQMD interim significance threshold for industrial projects.

A summary of the Environmental Impacts and Mitigation Measures is provided as Attachment 2. These impacts are described in more detail in the Final EIR and in the Findings of Fact, included as Exhibit A to the Resolution (Attachment 1).

Mitigation Measures

Mitigation measures have been developed for the proposed Project to reduce significant impacts to the extent feasible. These measures will be made conditions of Project approval, and are set forth in the Mitigation Monitoring and Reporting Program included as Exhibit B to the attached Resolution.

Overriding Considerations

There are specific overriding economic, legal, technological, and other benefits of the proposed Project that outweigh the significant impacts and provide important reasons for approving the Project as proposed.

The proposed Project would fulfill the Port's mandates under the State's Tidelands Trust to promote and develop commerce and navigation, and promote other uses of statewide interests and benefit, including industrial and transportation uses. The California Coastal Act also provides that the Port should give the highest priority to the use of existing land space within harbors for port purposes. The proposed Project meets these requirements by maximizing the use of existing and proposed rail infrastructure in the Port, thereby promoting maritime commerce. Adding rail infrastructure would allow the Port to meet its goal of 30 to 35 percent of cargo moved by on-dock rail, and as a result, increase the Port's competitiveness. By recognizing the importance of rail facilities to the efficient functioning of the Port, the proposed Project would use the site in accordance to its highest priority.

When the Clean Air Action Plan (CAAP) was developed, principles and goals were established to reduce air emissions and related health impacts, while allowing Port development to continue. The CAAP also identified the need to maximize the utilization of on-dock rail to meet the Port's emissions goals. The proposed Project is consistent with the CAAP and includes all applicable CAAP measures.

The proposed Project would eliminate an existing at-grade crossing at 9th Street at Pier B Street; road and rail safety would be improved. The closing of this crossing would also allow the Port to accommodate trains up to 10,000 feet long, allowing Port terminals to transport more cargo via rail.

A fundamental purpose of the proposed Project is to facilitate operational efficiencies in the Port through the transport of a larger proportion of containerized cargo directly to and from the Port via rail instead of by

drayage trucks. This change would support the CAAP, the San Pedro Bay Ports Emissions Reduction Standards, and the State's Sustainable Freight Action Plan.

Pursuant to Executive Order B-32-15, the Sustainable Freight Action Plan established measures of progress to improve freight efficiency, transition to zero-emissions technologies, and make California's freight system more competitive. Certain elements of the proposed Project serve to forward State goals by providing infrastructure for more efficient cargo transport.

The proposed Project also helps to implement the Regional Transportation Plan ("RTP") to a greater extent than the other alternatives. The RTP identified on-dock rail improvements as part of the Comprehensive Regional Goods Movement Plan and Implementation Strategy. As stated in the RTP, "Carrying containers by rail is the most efficient method for cargo destined to points well beyond the Southern California region. Utilizing rail has the added benefit of potentially reducing the number of truck trips on regional roadways and freeways, which would otherwise be needed to carry cargo containers to near-dock or off-dock yards." "Use of on-dock rail eliminates truck vehicle miles of travel (VMT) and associated emissions by allowing trains to be loaded and unloaded inside marine terminals." RTP, Goods Movement Appendix, p. 32 (2016). The proposed Project also implements the City of Long Beach's Mobility Element, adopted in 2013, which specifically calls for improvement of on-dock rail facilities. As stated on page 106 in the Mobility Element: "Each train loaded on-dock at the Port of Long Beach eliminates up to 750 truck trips from local freeways. One container ship entering the Port generates as much as five trains' worth of intermodal cargo. By using on-dock rail, the Port can potentially eliminate 3,750 truck trips for every vessel call."

To assist in mitigating the proposed Project's cumulative impacts to air quality, health risk, and global climate change, the Port will make a total contribution of approximately \$1.45 million to the Port's CGP. The CGP is aimed at mitigating the impacts of goods movement over 12-15 years in three specific programs: community health, facility improvements, and community infrastructure.

Staff Recommendation

Staff requests the Board to Receive and File this report and make the following actions related to the Pier B On-Dock Rail Support Facility Project: (1) Receive and File Supporting Documentation into the Record and Conduct a Public Hearing on the Project, and (2) Adopt a Resolution Certifying the Final Environmental Impact Report for the Pier B On-Dock Rail Support Facility and Making Findings, Adopt a Statement of Overriding Considerations, a Mitigation Monitoring and Reporting Program, an Application Summary Report, and Approve the Project and a Level III Harbor Development Permit #07-021.

- Attachments:
- (1) Resolution
 - (2) Findings of Fact and Statement of Overriding Considerations
 - (3) Mitigation Monitoring Reporting Program
 - (4) Final EIR - Pier B On-Dock Rail Support Facility Project
 - (5) Draft EIR - Pier B On-Dock Rail Support Facility Project
 - (6) Draft EIR - Pier B On-Dock Rail Support Facility Project Appendices
 - (7) Presentation to the Board

Attachments:

- (1) Resolution – Please see **Attachment 3** of Harbor Department Staff Report to City Council, Dated March 20, 2018
- (2) Findings of Fact and Statement of Overriding Considerations – Please see **Attachment 3**, Exhibit A of Harbor Department Staff Report to City Council, Dated March 20, 2018
- (3) Mitigation Monitoring Reporting Program – Please see **Attachment 3**, Exhibit B of Harbor Department Staff Report to City Council, Dated March 20, 2018

Attachments 4-6 were previously delivered under separate cover:


- (4) Final EIR – Pier B On-Dock Rail Support Facility Project, January 2018
- (5) Draft EIR – Pier B On-Dock Rail Support Facility Project, December 2016
- (6) Draft EIR – Pier B On-Dock Rail Support Facility Project Appendices, December 2016
- (7) Presentation to the Board, - Please See **Attachment 4** of Harbor Department Staff Report to City Council



Memorandum

Date: January 22, 2018

To: Board of Harbor Commissioners

From: Heather A. Tomley, Director of Environmental Planning 

Subject: Correction Regarding Potential Property Acquisitions Under the 9th Street Alternative of the Pier B On-Dock Rail Support Facility Project

Environmental Planning has prepared the Final Environmental Impact Report (EIR) for the Pier B On-Dock Rail Support Facility Project, scheduled to be considered by the Board of Harbor Commissioners at tonight's meeting. The Pier B Final EIR document was released for public review on Friday, January 12, 2018.

Two tables from the EIR (attached) have been corrected. Table 10-A Changes to Potential Property Acquisitions from Design Modifications and Parcel Refinements has been revised to reflect the correct table name and number of private parcels associated with the 9th street alternative, page 10-1, and Revised Table 3.6-3 Potential Project Acquisitions for the 9th Street Alternative, page 10-18) has been revised to reflect the correct number of private parcels associated with the 9th street alternative. The parcel numbers identified in the two tables of the Final EIR released on January 12, 2018, represent an over-statement of potentially affected privately-owned parcels.

As such, staff has corrected both tables and attached them to this memo for reference. Copies of the corrected tables will be available prior to tonight's meeting, and staff will address the revision in its report to the Board.

Attachment: Pier B On-Dock Rail Support Facility Project Final Environmental Impact Report Table Corrections

cc: Mario Cordero, Executive Director
Richard D. Cameron, Managing Director of Planning and Environmental Affairs
David Albers, Deputy City Attorney

**Pier B On-Dock Rail Support Facility Project Final Environmental Impact Report
Table Corrections**

TABLE 10-A CORRECTED CHANGES TO POTENTIAL PROPERTY ACQUISITIONS FROM DESIGN MODIFICATIONS AND PARCEL REFINEMENTS			
Description	Proposed Project (12th Street Alternative)	10th Street Alternative	9th Street Alternative
Original Number of "Properties" (Draft EIR)	94	70	56
Original Number of Legal Parcels	208	179	145
Number of Parcels after Design Modifications (Final EIR) ¹	184	148	96
Reduction in Number of Parcels	24	31	49
1 Design modifications by the POLB resulted in refinement of Project boundaries and reduction of the number of legal parcels within the footprint for each alternative.			

REVISED TABLE 3.6-3 CORRECTED POTENTIAL PROJECT ACQUISITIONS FOR THE 9TH STREET ALTERNATIVE			
Ownership	Number of Parcels^{1,2}	Number of Potential Parcel Acquisitions	Existing Uses
Ports and COLB	79	0	Railroad tracks, vacant properties, railroad yards, utility ROWs, cogeneration facilities, equipment storage, auto storage, manufacturing, container or chassis storage, oil equipment storage, petrochemical storage, boat repair, bobtail lots, sandblasting, oil production, small commercial, auto sales, oil pipelines, miscellaneous storage, warehouse, and other industrial activities
COLA	3	0	Railroad tracks, vacant sites
LACFCD	2	0	Pump station
Private	12	11	Vacant sites, auto wrecking, sandblasting, rubbish services, chassis/container storage, refinery, ship or boat repair, metal fabrication, bobtail lots, auto parts, trucking businesses, body shops, logistics, petroleum pipelines, and miscellaneous storage
Total	96	11	
<p>¹ The number of parcels is based on information from the Los Angeles County Office of the Assessor Property Assessment Information System available at http://maps.assessor.lacounty.gov/GVH_2_2/Index.html?configBase=http://maps.assessor.lacounty.gov/Geocortex/Essentials/REST/sites/PAIS/viewers/PAIS_hv/virtualdirectory/Resources/Config/Default.</p> <p>² The Draft EIR intermixed use of the terms "property" and "parcel." To address this discrepancy, only parcel totals are tabulated for the Final EIR. Also, the revised numbers in this table reflect the modified boundaries for this alternative.</p>			