

Staff Report

LAX Terminals 2 and 3 Modernization Project
Final Environmental Impact Report (Final EIR)

Appeal Filed by the
City of El Segundo

State Clearinghouse No. 2016081034
Council File No. CF-17-0836

Prepared by:
CITY OF LOS ANGELES
LOS ANGELES WORLD AIRPORTS

INTRODUCTION

At a special meeting on July 13, 2017, the City of Los Angeles Board of Airport Commissioners (BOAC), acting pursuant to the California Environmental Quality Act (CEQA), Public Resources Code § 21000, et seq., approved BOAC Resolution No. 26299, certifying the Final Environmental Impact Report (EIR) for the Los Angeles International Airport (LAX) Terminals 2 and 3 Modernization Project. BOAC also made certain specific findings related to the Executive Director's LAX Plan Compliance Report (EDR). On the basis of the Final EIR, BOAC adopted the LAX Terminals 2 and 3 Modernization Project CEQA Findings, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program (MMRP).

City of El Segundo Appeal

In a letter dated July 24, 2017, Shute, Mihaly & Weinberger, LLP, on behalf of the City of El Segundo, appealed BOAC's certification of the LAX Terminals 2 and 3 Modernization Project EIR pursuant to Public Resources Code § 21151(c). The City of El Segundo claims that the bases for its appeal are set forth in its letters to BOAC dated September 9, 2016, April 10, 2017, and July 12, 2017, including all attachments and exhibits thereto, and makes a very general allegation that the LAX Terminals 2 and 3 Modernization Project EIR "fails to comply with [CEQA] because it fails to adequately disclose, analyze, and mitigate the Project's significant impacts." The appeal letter does not, however, provide any explanation or indication, whatsoever, of where or how those alleged failures occur within the EIR. The City of El Segundo's vague allegation is completely unfounded, lacking any supporting evidence, examples, or analysis.

The City Council's decision on the appeal should be based on its own independent judgment and consideration of the materials in the administrative record before it, including but not limited to public comment and testimony; the appeal letter; the attached LAWA Staff Report; the Final EIR certified by BOAC; the CEQA Findings, Statement of Overriding Considerations, and MMRP adopted by BOAC; and BOAC's July 13, 2017 Staff Report. Electronic copies of the LAX Terminals 2 and 3 Modernization Project Final EIR, the CEQA Findings, Statement of Overriding Considerations, MMRP, BOAC's adopted July 13, 2017 Staff Report, and BOAC's Resolution No. 26299 were provided to members of the City Council on July 24, 2017. Paper copies of these documents are available to the City Council upon request.

Recommended City Council Actions

LAWA staff has carefully reviewed the July 24, 2017 appeal letter from the City of El Segundo, as well as the referenced letters dated September 9, 2016, April 10, 2017, and July 12, 2017, including all attachments and exhibits thereto. Copies of these letters are provided as Attachment A to the Staff Report. The September 9, 2016 letter from the City of El Segundo was submitted in response to the Notice of Preparation (NOP) for the LAX Terminals 2 and 3 Modernization Project EIR. The April 10, 2017 letter from the City of El Segundo contained comments on the LAX Terminals 2 and 3 Modernization Project Draft EIR. Written responses to all comments raised in the September 9, 2016 and April 10, 2017 letters, including all attachments and exhibits, were provided in the LAX Terminals 2 and 3 Modernization Project Final EIR. A written response to the issues raised in the City of El Segundo's July 12, 2017 comment letter on the LAX Terminals 2 and 3 Modernization Project Final EIR are provided in Attachment B to this Staff Report.

As further explained below, all issues raised by the City of El Segundo during the LAWA review process were fully and adequately addressed in responses to comments in the Final EIR, in BOAC's adopted July 13, 2017 Board Report, and the CEQA Findings and Statement of Overriding Considerations. In sum, the City of El Segundo's claims in this appeal are both factually and legally baseless.

Based on the administrative record, including but not limited to, the July 24, 2017 appeal letter from the City of El Segundo, this LAWA Staff Report, the LAX Terminals 2 and 3 Modernization Project EIR, the CEQA Findings, the Statement of Overriding Considerations, MMRP, and public comment and testimony, LAWA recommends that the City Council take the following actions:

1. DENY the City of El Segundo's July 24, 2017 appeal of BOAC's certification of the LAX Terminals 2 and 3 Modernization Project EIR.
2. Take other actions related to the LAX Terminals 2 and 3 Modernization Project as set forth in BOAC's XXX 2017 request to City Council for consideration of the LAX Terminals 2 and 3 Modernization Project.

Project Description

LAWA proposes the LAX Terminals 2 and 3 Modernization Project to support the ongoing modernization of LAX. The underlying purposes of improvements to the facilities at Terminals 2 and 3 are to provide improved security, passenger experience, operations, convenience, and quality of service.

The LAX Terminals 2 and 3 Modernization Project includes:

- Upgrading the Terminal 2 concourse, including construction of additional floor area;
- Demolition and reconstruction of the Terminal 3 concourse building to provide additional concourse area, including a new operation control center; the demolition of the southern appendages of the Terminal 3 satellite;
- Reconfiguring existing passenger gate positions within the existing terminal linear frontage for a total of up to 27 passenger gate positions at Terminal 2/Terminal 3;
- Demolition and reconstruction of the passenger and baggage processing facilities (ticketing buildings – T2.5 and T3.5) associated with Terminal 2 and Terminal 3, including new facilities for passenger and baggage screening, ticketing, and baggage claim (which will reduce redundancies in passenger and baggage processing by providing facilities that support multiple terminals); and a secure connector (i.e., an enclosed/controlled passenger corridor) between Terminal 2 and Terminal 3; and
- Apron improvements, specifically the replacement/resurfacing, restriping, and relocation of fuel pits.

In total, approximately 832,000 square feet of new building space would be added to the two terminals, for a total square footage of approximately 1,620,010 square feet.

Preparation and Circulation of the EIR

The LAX Terminals 2 and 3 Modernization Project EIR was prepared in compliance with CEQA (Pub. Res. Code § 21000 et seq.) and the CEQA Guidelines (14 Cal. Code Regs. § 15000 et seq.). The EIR identifies, analyzes, and evaluates impacts on the environment and feasible mitigation measures and project alternatives by which the significant impacts of the Project can be avoided or substantially reduced.

In accordance with CEQA and CEQA Guidelines § 15082, LAWA circulated a Notice of Preparation (NOP) and Initial Study (IS) to prepare the LAX Terminals 2 and 3 Modernization Project EIR on August 11, 2016. The NOP was circulated for 30 days, with comments due on September 9, 2016. A public scoping meeting was held during that time, on August 24, 2016. LAWA distributed copies of the IS/NOP to numerous stakeholders, other agencies, airlines, and other leaseholders at LAX. The IS/NOP was made available on the LAWA website and copies were placed at five local libraries: Westchester-Loyola Village Branch Library, El Segundo Library, Inglewood Library, Culver City Library, and Playa Vista Library. There were 14 comment letters received on the NOP/IS that were addressed in the Draft EIR.

On February 23, 2017, LAWA published the LAX Terminals 2 and 3 Modernization Project Draft EIR. In accordance with CEQA, the Draft EIR was circulated for public review for 45 days, with the review period closing on April 10, 2017. A public meeting was held during the Draft EIR comment period on March 21, 2017. The Draft EIR documents were posted on LAWA's website and copies were made available at LAWA's Administration Offices and in the following libraries: Westchester-Loyola Village Branch Library, El Segundo Library, Inglewood Library, Culver City Library, and Hawthorne Library.

LAWA undertook an extensive process to notify public agencies and members of the public of the availability of the LAX Terminals 2 and 3 Modernization Project Draft EIR for review and the open house/public meeting that was held on March 21, 2017 during the public comment period. As required by CEQA, a Notice of Completion was filed with the State Clearinghouse and the Notice of Availability (NOA) was posted with the County Clerk. In addition to providing information about the availability of the LAX Terminals 2 and 3 Modernization Project Draft EIR, the length of the public review period, and the process for providing comments, the NOA listed the open house/public meeting date. In addition, a mailer was sent to 10,080 individuals with information regarding the availability of the LAX Terminals 2 and 3 Modernization Project Draft EIR and the open house/public meeting. Notices announcing availability of the LAX Terminals 2 and 3 Modernization Project Draft EIR and the open house/public meeting were also published in area newspapers, including the Argonaut and Daily Breeze.

A total of eight comment letters were received in conjunction with the LAX Terminals 2 and 3 Modernization Project Draft EIR during the public review period, which contained a total of 107 individual comments. Pursuant to § 15088 of the State CEQA Guidelines, LAWA evaluated comments received from persons who reviewed the LAX Terminals 2 and 3 Modernization Project Draft EIR and prepared written responses to those comments. Those comments and written responses, along with other information, are included as part of the LAX Terminals 2 and 3 Modernization Project Final EIR. As required by § 15088(c) of the State CEQA Guidelines, the focus of the responses to comments is on "the disposition of significant environmental issues raised."

As required by Public Resources Code § 20192.5, all agencies who commented on environmental issues in the Draft EIR were provided with responses to comments at least 10 days prior to the Final EIR being submitted to BOAC for certification.

BOAC's July 13, 2017 Actions

LAWA provided notification of the availability of the LAX Terminals 2 and 3 Modernization Project Final EIR and of the scheduled BOAC meeting on the LAX Terminals 2 and 3 Modernization Project, and copies of the Final EIR were made available. For the Final EIR, over 38 copies were distributed via overnight delivery on June 29, 2017 (including one copy to the City of El Segundo and its law office, Shute, Mihaly & Weinberger LLP). Additionally, mailers indicating where the Final EIR could be found on-line or in libraries were sent to over 72

parties. The Final EIR was made available for review on LAWA's ourlax.org website on June 28, 2017.

Public notification of the July 13, 2017 BOAC meeting was posted online (to ourlax.org) on June 28, 2017. A press release regarding the outcome of the July 13, 2017 BOAC meeting was issued on July 14, 2017.

At a special meeting on July 13, 2017, the City of Los Angeles BOAC, acting pursuant to CEQA, approved BOAC Resolution No. 26299, certifying the Final EIR for the LAX Terminals 2 and 3 Modernization Project. BOAC also made certain specific findings related to the EDR. On the basis of the Final EIR, BOAC adopted the LAX Terminals 2 and 3 Modernization Project CEQA Findings, Statement of Overriding Considerations, and MMRP. BOAC then approved the LAX Terminals 2 and 3 Modernization Project as described in the Final EIR.

CITY OF EL SEGUNDO'S STATED "BASES" FOR APPEAL

The City of El Segundo appeal letter (written on behalf of the City of El Segundo by Shute, Mihaly & Weinberger LLP), dated July 24, 2017, purports to appeal BOAC's certification of the Final EIR on the alleged grounds that "[t]he EIR fails to comply with [CEQA] because it fails to adequately disclose, analyze, and mitigate the Project's significant impacts." The letter further indicates that the specific bases for the appeal are set forth in the letters to BOAC dated September 9, 2016, April 10, 2017, and July 12, 2017, including all attachments and exhibits thereto. As noted above, the appeal letter itself includes no new allegations, evidence, analysis, or argument, and, as described below, LAWA previously responded to all the issues raised in those letters and no new information or issues were raised in the appeal letter.

LAWA'S RESPONSES TO THE CITY OF EL SEGUNDO'S PRIOR LETTERS

On September 9, 2016, the City of El Segundo submitted a comment letter on the LAX Terminals 2 and 3 Modernization Project EIR NOP (written on behalf of the City of El Segundo by Shute, Mihaly & Weinberger LLP). The NOP comments identified environmental issues that the City of El Segundo felt should be addressed in the Draft EIR for the Project, which LAWA included in the Draft EIR analysis.

On April 10, 2017, the City of El Segundo submitted a comment letter on the LAX Terminals 2 and 3 Modernization Project Draft EIR (written on behalf of the City of El Segundo by Shute, Mihaly & Weinberger LLP) which contained 54 individual comments. These comments included comments similar to comments included in the City of El Segundo's September 9, 2016 comment letter on the LAX Terminals 2 and 3 Modernization Project EIR NOP. In accordance with State CEQA Guidelines § 15088, LAWA prepared written responses to all comments received on the LAX Terminals 2 and 3 Modernization Project Draft EIR during the public review period, including the City of El Segundo's April 10, 2017 comment letter, identified in the Final EIR as T2/3-AL00001. LAWA's written responses are thorough, detailed, and provide good faith, reasoned analyses. These responses are provided as part of the Final EIR and were considered by the BOAC during project deliberations.

The July 12, 2017 letter acknowledges LAWA's work in responding to the City of El Segundo's comments on the Draft EIR stating that the City "appreciates LAWA's detailed responses to comments in the FEIR, and in particular the addition of the necessary information that El Segundo requested in its comments." The letter notes two issue areas that the City felt were insufficiently addressed; however, the letter does not contain any new issues or "significant new information" that would trigger recirculation under State CEQA Guidelines § 15088.5. A written response to the July 12, 2017 letter is provided as Attachment B. LAWA has, therefore, already

responded to all of the comments the City of El Segundo cites in its July 24, 2017 appeal letter.

To further assist in the City Council's review of the City of El Segundo's appeal, LAWA has provided specific citations identifying its responses to the issues raised in the April 10, 2017 letter (Attachment A-2) and reiterated in its July 12, 2017 letter (Attachment A-3), as well as additional clarification as appropriate.

List of Attachments:

- Attachment A – July 24, 2017 Appeal Letter from Shute, Mihaly & Weinberger LLP on behalf of the City of El Segundo
 - Attachment A-1 - September 9, 2016 Comment Letter on the LAX Terminals 2 and 3 Modernization Project EIR Notice of Preparation from Shute, Mihaly & Weinberger LLP
 - Attachment A-2 - April 10, 2017 Comment Letter on the LAX Terminals 2 and 3 Modernization Project Draft EIR from Shute, Mihaly & Weinberger LLP
 - Attachment A-3 - July 12, 2017 Comment Letter on the LAX Terminals 2 and 3 Modernization Project Final EIR from Shute, Mihaly & Weinberger LLP
- Attachment B – Response by LAWA to the July 12, 2017 Comment Letter on the LAX Terminals 2 and 3 Modernization Project Final EIR from Shute, Mihaly & Weinberger LLP