



## CITY OF COMMERCE AGENDA REPORT

**TO:** Honorable City Council **Item No.** \_\_\_\_\_

**FROM:** City Administrator

**SUBJECT:** Update on City of Commerce EIR Comments for I-710 Expansion,  
and a Discussion of “de minimis impact” finding for Section 4(f)  
Park Impacts

**MEETING DATE:** NOVEMBER 13, 2018

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### **RECOMMENDATION:**

Council to provide direction as follows:

- Option A: Do not accept “de minimus impact” finding at this time and pursue negotiations with LA Metro, Caltrans.
- Option B: Accept “de minimis impact” finding at this time, and pursue negotiations with LA Metro, Caltrans.

### **BACKGROUND:**

The City of Commerce is geographically located within the sub-region that is impacted by the I-710 project, the I-5 project, and the California High Speed Rail Authority project. As such, these projects create disproportionate levels of adverse impacts to the City.

Caltrans and LA Metro advise that the City of Commerce will suffer the more project related impacts related to the I-710 project than any other impacted city. In Commerce, approximately 58 residential, and 33 non-residential units located in the ABC and Sydney neighborhoods will be impacted and/or displaced.

On October 20, 2017, the City of Commerce submitted a comment letter to LA Metro titled “Comments on the I-710 Corridor Project Re-circulated Environmental Impact Report/Supplemental Draft Environmental Impact Statement.” The letter addressed a number of impacts to the City. Of the project related impacts addressed in the letter, the following two impacts are especially important to the City of Commerce: impacts to housing and impacts to Bandini Park.

The project related impacts to Bandini Park invoke a special federal process called Section 4(f). The Section 4(f) process is triggered during the environmental clearance process whenever a project that is receiving federal funds creates impacts to a publicly

owned park. Section 4(f) requires the following determination by the Federal Highway Administration (“FHWA”):

1. The FHWA must make a determination that there is no feasible and prudent alternative that avoids project related impacts to the Section 4(f) properties and that the project includes all possible planning to minimize harm to the Section 4(f) properties; or
2. The FHWA must make a finding that the project has a “de minimis” impact on Section 4(f) property. A “de minimis impact” is defined as one that, after taking into account avoidance, minimization, mitigation and enhancement measures, results in no adverse effect to the activities, features, or attributes that qualify a park, recreation area, or refuge for protection under Section 4(f). Typically, in order to obtain environmental clearance, the Section 4(f) process must be addressed to the satisfaction of the jurisdiction that is impacted by the project.

Per the Board direction, LA Metro staff has started finalizing the environmental document for the full segment of I-710, from Long Beach to Commerce. However, currently there are no construction plans or available funding for the northern segment that includes the City of Commerce. As part of the effort to satisfy the requirements of Section 4(f), LA Metro and Caltrans have approached City staff requesting that the City of Commerce agree to a “de minimis impact” finding under Section 4(f). City staff has advised LA Metro staff that the City would require LA Metro to agree to the following commitments in exchange for the City’s agreement to the “de minimis impact” finding:

1. A funding commitment towards housing development within the City Housing Opportunity Overlay;
2. Network improvements as part of the Early Action Program; and
3. A funding commitment towards recreation facilities within the City of Commerce.

## **ANALYSIS:**

In assessing the benefits and impacts of the I-710 project, one can ascertain that while the region benefits from the widening of the I-710, the City of Commerce is clearly burdened with a disproportionate amount of project related impacts. Thus, it is the City’s position that LA Metro must provide mitigation measures to lessen project related impacts and commit to providing funding to develop tangible benefits for residents of the City of Commerce. As such, staff has outlined approaches in the EIR/EIS comments letter that go beyond simply providing project related mitigation measures. The City’s EIR/EIS comments letter requests commitments from LA Metro to provide benefits to the City’s residents.

These approaches are unique in that they do not conform to Caltrans' or LA Metro's standard methodology for the adoption of mitigation measures. However, City staff believes that these approaches are creative, efficient, and much more successful in lessening the impacts to the City. The City's preferred approach includes activating the City Housing Opportunity Overlay. The current City General Plan includes a housing opportunity overlay zone to provide the ability to create additional residential units in the city.

Over the past 5 years, a number of LA Metro I-710 Local Advisory Committee (LAC) meetings have been held in the City of Commerce. The residents that participated in the meetings expressed concern over impacts to their homes and the need for them to relocate. A majority of these residents shared their desire to remain in the City of Commerce if their relocation becomes absolutely necessary.

In the comment letter submitted in October 2017, the City of Commerce included the sentiment of the residents by recognizing the project related impacts and requesting that LA Metro provide the displaced residents an opportunity to remain in the City. The letter discussed the Housing Opportunity Overlay in the City and requested that Caltrans and LA Metro make commitments towards encouraging the development of housing within the Housing Opportunity Overlay to accommodate residents that will be displaced by the I-710 project.

The letter requested that a Housing Opportunity Overlay Zone be used as an alternative to assist with relocation benefits within the City. This Housing Opportunity Overlay Zone would identify areas within the City that would be immediately available to be rezoned for housing and be made available to displaced residents.

The benefits of this Housing Opportunity Overlay Zone program include:

1. Adding housing stock, with an affordable housing focus, to the City.
2. Providing community cohesion.
3. Creating a path for Commerce residents facing relocation to remain in Commerce.
4. Potentially leveraging other funding sources available to develop and construct housing prior to using other unidentified funds intended to assist with the relocation of residents due to the I-710 project.

The City has requested that LA Metro incorporate language into the I-710 EIR specifically identifying the City's Housing Opportunity Overlay Zone as a first option available for the relocation of residents within the City. The City also requested that as a part of the I-710 project, and as part of the Community Health Benefit program, that benefits be realized by setting aside a discretionary funding amount for disproportionate impacts.

### **Section 4(f) and Impacts to Bandini Park**

Bandini Park will also be impacted by the I-710 project albeit not to the magnitude of the homes in the area. However, this impact invokes a particularly strong federal requirement under Section 4(f) that provides the City with standing to engage in the process and ensure the Section 4(f) process is completed to the City's satisfaction. Generally, most projects cannot move forward without completing the Section 4(f) process with the agreement of the impacted jurisdictions. To date, City staff has strongly rejected LA Metro's request that the City accept the "de minimis impact" finding. City staff has advised LA Metro that the completion of the Section 4(f) process include LA Metro's agreement to provide funding for housing and other mitigation measures to create tangible benefits for the residents of the City. For example, in its October 2017 letter, the City requested LA Metro provide funding toward the construction of an indoor gym.

### **Discussion with Metro Staff**

The LA Metro Board's current direction is to develop an Early Action program that recommends cost-beneficial construction staging segments while minimizing right away impacts. However, the segment of the I-710 between Slauson Avenue and State Route 60 is not being considered as part of an Early Action segment, nor is it funded. Consequently, this segment is not a candidate for construction for the foreseeable future. However, LA Metro plans to undertake the full environmental clearance.

During the last meeting with LA Metro staff regarding the EIR comments on October 3, 2018, City staff again suggested that LA Metro consider alternative approaches to the traditional relocation assistance program identified in the Final EIR/EIS. City staff suggested that LA Metro and Caltrans explore innovative non-traditional avenues to maximize the ability to keep impacted residents within the City of Commerce, while leveraging funds that are beneficial to both the City's Housing Opportunity Overlay Zone initiative and to LA Metro in the long run.

LA Metro also recommended that the City explore Proposition HH funds associated with affordable housing, to see if the Housing Opportunity Overlay Zone may be able to access bond money to help build housing within the City. This would increase the affordable housing stock within the City, and generate possible housing stock available for the I-710 relocation effort. LA Metro also suggested scheduling a discussion with Supervisor Solis' office to gain support for this effort.

LA Metro staff has also stated that they cannot find a nexus between Section 4(f) and the City's requested funding towards the development of an indoor gym. City staff remains engaged in discussions at this time.

### **FISCAL IMPACT:**

No fiscal impact at this time.

## **RELATIONSHIP TO STRATEGIC GOALS:**

The issue before the City Council is consistent with the 2016 Strategic Plan – Goal #6: **“Enhance Quality of Life Goal” and “Maintain and prioritize improvements to City facilities and infrastructures in accordance with adopted master planning documents including the Green Zone Action Plan to accommodate annual and long term goals.”**

## **ALTERNATIVES:**

1. Approve Option A
2. Approve Option B
3. Provide other direction to staff

Prepared by:	Maryam Babaki, Director of Public Works & Development Services
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Reviewed by:	Vilko Domic, Finance Director
Approved as to form:	Noel Tapia, City Attorney
Respectfully submitted:	Edgar P. Cisneros, City Administrator

## **ATTACHMENTS:**

October 20, 2017 Letter