

DATE: SEPTEMBER 7, 2023

FROM: WATERFRONT & COMMERCIAL REAL ESTATE

**SUBJECT: RESOLUTION NO. _____ - APPROVAL OF LESSEE
LICENSE AGREEMENT TEMPLATE FROM SAN PEDRO PUBLIC
MARKET, LLC**

SUMMARY:

Staff requests approval of a Lessee License Agreement (LLA) template and authorization for the Executive Director to approve and execute various LLAs on an as-needed basis to gain access to property that has been entitled to San Pedro Public Market, LLC (SPPM) under Lease No. 915. During the construction of the Waterfront Promenade Improvement Project which is a Harbor Department obligation to complete under Lease No. 915 with SPPM, the Harbor Department, its contractors and/or its agents will require non-possessory rights to access certain areas leased by SPPM for ingress and egress, pre-construction and construction-related activities.

RECOMMENDATION:

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

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Approve the template entitled Lessee License Agreement;
3. Authorize the Executive Director, or designee, to approve and execute the approved template; and
4. Adopt Resolution No. _____.

DISCUSSION:

Background/Context – On May 16, 2016, the Board approved Lease No. 915 with SPPM for the redevelopment of the Ports O' Call area. The Los Angeles City Council subsequently approved the Lease at its June 10, 2016 meeting.

At the time the Lease was approved by the Board, placeholders were used for exhibits that were still in the process of being created, including a proposed reciprocal access

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agreement for the Harbor Department to access parcels/property that have been delivered to and occupied and leased by SPPM.

The purpose of the LLA (Transmittal 1) is to provide non-possessory rights in the form of a license for the Harbor Department, its contractors and/or agents to enter, stage and work on premises that have been delivered to SPPM, the Lessee under Lease No. 915. The LLA will be issued from SPPM to the Harbor Department for specific activities and specific periods based on the Harbor Department's requests. The Executive Director, or their designee, is proposed to be authorized to approve and execute the LLA when necessary to complete construction on the SPPM Lease No. 915 premises. Any LLA that materially deviate from the template or exceed the authority granted to the Executive Director pursuant to the City Charter shall require Board approval.

The LLA will have a term of one (1) year for use of the premises by the City and its Contractors for, ingress and egress, laydown area, roadways, construction project sites and parking required for the construction of City improvements. City shall not be required to pay compensation under this LLA. The LLA also includes a mutual indemnification and hold harmless provision in which both parties agree to indemnify each other for claims except as may arise from acts or omissions arising from negligence or willful misconduct. Staff recommends this modification as it further protects the City by adding the responsibility of SPPM to indemnify the City for claims resulting from damages caused by SPPM or third parties while LLA is in effect. Conversely, the City is to indemnifying SPPM for losses/damages resulting from City and City contractors activities on the LLA site.

Therefore, staff is requesting Board approval of Exhibit M, the LLA template to allow the Executive Director to approve and execute LLAs with SPPM as necessary when the Harbor Department, its contractors and/or agents require access for ingress and egress, pre-construction and construction related activities.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of a LLA template and execution of various LLAs on an as-needed basis, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed LLA template will enable the Executive Director to approve and execute various LLAs which will authorize the Harbor Department, its contractors, and/or its agents to access certain areas occupied by SPPM for ingress and egress, pre-construction and construction related activities. Staff anticipates neither payment of fees nor collection of fees by the Harbor Department related to the proposed LLA template. Therefore, approval of the proposed template will not have a financial impact on the Harbor Department.

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CITY ATTORNEY:

The proposed LLA template has been reviewed and approved as to form and legality by the Office of the City Attorney.

TRANSMITTAL:

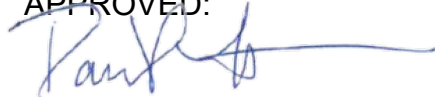
1. Lessee License Agreement Template

FIS Approval: JS (initials)
CA Approval: SO (initials)

Michael J. Galvin
MICHAEL J. GALVIN
Director of Waterfront & Commercial Real Estate

Marla Bleavins
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Deputy Executive Director

APPROVED:



EUGENE D. SEROKA
Executive Director