



**THE PORT
OF LOS ANGELES**

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: OCTOBER 21, 2025

FROM: CARGO & INDUSTRIAL REAL ESTATE

SUBJECT: RESOLUTION NO. _____ - APPROVE COVENANT AND ENVIRONMENTAL RESTRICTION ON PROPERTY FOR 800 SOUTHERLAND AVENUE, WILMINGTON, CALIFORNIA 90744 (LARWQCB SCP NO. 0297, SITE ID NO. 2040259)

SUMMARY:

Staff requests approval of the Covenant and Environmental Restriction on Property (Covenant) with the Los Angeles Regional Water Quality Control Board (LARWQCB). The Covenant puts forth restrictions for the current and future development and use of City of Los Angeles Harbor Department (Harbor Department) property located at 800 Southerland Avenue, Wilmington (Site).

The Site is jointly owned by the Harbor Department and Port of Long Beach (POLB). This Covenant requires approval from the Board of Harbor Commissioners of both ports. It is anticipated that this Covenant will be presented to the POLB Board of Harbor Commissioners at its meeting on November 24, 2025 for approval.

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 Covenant and Environmental Restriction on Property;
3. Authorize the Executive Director to execute and the Board Secretary to attest to the Covenant and Environmental Restriction on Property; and
4. Adopt Resolution No. _____.

DISCUSSION:

Background – The Site is approximately 50,000 square feet of land at 800 Southerland Avenue in Wilmington, bordered by E. Anaheim St. to the south and the Dominguez Channel to the east (Transmittal 1). The Site is jointly owned by the Harbor Department

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and POLB. It is currently developed with three parallel Alameda Corridor Transportation Authority (ACTA) tracks and a railroad right-of-way that bisect the Site. The Site was first investigated for environmental conditions in the early 1990s, due to potential contamination that originated from unauthorized storage of hazardous chemicals by unauthorized occupants, as identified during an inspection by the Los Angeles County Fire Hazardous Materials Control Program (HMCP) and the United States Environmental Protection Agency (USEPA). Several subsequent environmental assessments identified impacted soil and groundwater at the property, and an underground storage tank was removed in June 1995, in accordance with the Los Angeles County Fire Department's Underground Storage Tank removal procedures. Following the purchase of the Site on December 22, 1994, as part of a larger acquisition of railroad properties for the ACTA project, the Harbor Department installed perimeter fencing and concrete K-Rails to secure the property from unwarranted access and exposure to foreign substances and protect adjacent Harbor Department property. The Site is now further protected by means of regular inspections by property management staff and contractors, and the Los Angeles Port Police.

In September 2016, the LARWQCB issued a letter to the Harbor Department requiring preparation of a Phase I Environmental Site Assessment (ESA) and an investigation of soil, soil gas, and groundwater beneath the property. A Phase I ESA was completed in 2016 and further site investigations were completed between 2017 and 2024. A closure request was submitted to the LARWQCB in August 2024, citing that the groundwater conditions have improved significantly over a period of 24 years and that the residual contaminants are limited in extent, and naturally attenuating.

The LARWQCB granted a No-Further-Action status for the Site, provided that a Covenant be issued and recorded for the Site (Transmittal 2). Upon approval and full execution by the Board and POLB, staff will record the proposed Covenant (Transmittal 3) at the Los Angeles Registrar/Recorder's Office.

The Site use is anticipated to remain the same as railroad right-of-way in the foreseeable future.

Covenant Overview – Pursuant to the No-Further-Action determination for the Site, a Covenant was prepared by the LARWQCB and reviewed and approved by the Harbor Department and the Office of the City Attorney.

This Covenant is an environmental covenant provided for by Civil Code Section 1471 and required by the LARWQCB pursuant to Water Code Section 13307.1 because the LARWQCB has determined that the Site is not suitable for unrestricted use and that a land use restriction is necessary for the protection of present or future human health,

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safety, or the environment as result of the presence of hazardous materials, as defined in section 25260 of the Health and Safety Code, in the soil and/or groundwater at the Site.

Pursuant to the terms of the Covenant, the Site shall be used in a manner consistent with the Covenant so as to avoid potential harm to persons or property that might result from any hazardous materials that might remain deposited on portions of the Site.

Each and all of the Covenant's restrictions shall run with the land and pass with each and every portion of the Site and shall apply to and bind the respective successors, assigns, and lessees thereof.

The restrictions are specifically delineated in Section 3.1 of the Covenant and generally limit the development and use of the Site to industrial, commercial, and/or office space uses; and limit excavations or significant soil disturbances without appropriate plans and approvals from the LARWQCB.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of the Covenant with LARWQCB at the Site, 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 Covenant will generally restrict the development and use of the Site to industrial, commercial, and/or office space uses; and limit excavations or significant soil disturbances without appropriate plans and approvals from the LARWQCB. As an administrative activity, there is no cost associated with processing this Covenant, except for Harbor Department staff time.

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CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the Covenant as to form and legality.

TRANSMITTALS:

1. Site Location Map
2. Notice of Opportunity to Comment on a No Further Action Determination
3. Covenant and Environmental Restriction on Property

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

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