# WATERFRONT & COMMERCIAL REAL ESTATE DIVISION LOS ANGELES WAREHOUSE NO. 1 REDEVELOPMENT AND ADAPTIVE RE-USE OPPORTUNITY REQUEST FOR INTEREST



November 12, 2024

### Prospective Respondent:

# SUBJECT: REQUEST FOR INTEREST (RFI) FOR LOS ANGELES MUNICIPAL WAREHOUSE NO. 1 REDEVELOPMENT

The Waterfront & Commercial Real Estate Division (WCRED) of the City of Los Angeles Harbor Department (Harbor Department) is soliciting Statements of Interest (SOI) for the adaptive reuse of the existing Los Angeles Municipal Warehouse No. 1 for commercial and/or visitor-serving use. Based upon the SOIs received, the Harbor Department intends to develop a high-level adaptive re-use and redevelopment strategy that will be used for shaping and issuing a subsequent Request for Qualifications (RFQ) and Request for Proposals (RFP). Participation in this RFI phase of the process is important so that feasible use concepts can be properly considered by relevant stakeholders.

Guidelines for preparing the Respondent'(s) SOI are found in the information included in this Request for Interest (RFI). Respondents wishing to submit an SOI should follow the process and guidelines detailed in this RFI.

The schedule for this RFI will be as follows:

Action	Important Dates
RFI Published	November 12, 2024
Reservation Deadline for Site Tours	November 20, 2024
Site Tour Date	December 12, 2024
RFI Questions Due	January 15, 2025
Harbor Department Response to Questions	February 7 2025
SOI/RFI Responses Due	March 10, 2025
Interviews with Respondents	March 25-27, 2025
Community engagement	Approx. 2Q 2025
RFQ Phase	Approx. 3Q 2025
RFP Phase	Approx. 4Q 2025 - 1Q 2026

<sup>\*</sup>All dates are subject to change.

For questions regarding the scope or administrative nature of the RFI, please contact the Harbor Department by email at THerr@portla.org. Questions must be submitted by January 15, 2025, and will be answered in writing and posted on the <a href="Harbor Department's website">Harbor Department's website</a> and the Regional Alliance Marketplace for Procurement (RAMP), at <a href="www.rampla.org">www.rampla.org</a>, no later than February 7, 2025. It is the responsibility of any respondents to review the Harbor Department's website for any RFI revisions or answers to questions prior to submitting a SOI in order to ensure completeness and responsiveness.

Please note that, prior to being awarded any contract with the Harbor Department, all contractors and subcontractors must be registered on the Regional Alliance Marketplace for Procurement (RAMP), at <a href="www.rampla.org">www.rampla.org</a>. RFI respondents should be registered as well to ensure timely receipt of materials relating to any future phases resulting from this RFI.

Sincerely,

Tanisha Herr for Tricia Carey

Director of Contract and Purchasing

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# 1. Introduction

## 1.1. Request for Interest (RFI) Overview

The Harbor Department is pleased to present the Los Angeles Warehouse No. 1 (Warehouse No. 1) redevelopment opportunity at the Port of Los Angeles (Port). The Harbor Department is soliciting Statements of Interest (SOI) for the redevelopment and adaptive reuse of the most iconic building at America's Port®, Warehouse No. 1 – the Port's original multi-story warehouse. The SOI being solicited is envisioned to generally consist of a narrative description that outlines the respondent's vision for adaptive reuse of the site including the overall best use of this property.

The approximately 480,000 square foot (sf) property is available for redevelopment, adaptive re-use and operation as a commercial and visitor-serving facility. Stunning and unmatched panoramic harbor views provide the ideal setting for a revitalized use at this location. The RFI represents the essential 'Idea Phase' effort allowing the Harbor Department, its stakeholders and policymakers to better understand the possibilities for proposals to redevelop Warehouse No 1.

This idea phase is envisioned to address two critical goals: (1) identifying and encouraging visitor-serving uses at the site; and (2) identifying the financial feasibility of Respondent's use concept(s). Potential illustrative uses include creative office, hospitality, dining, entertainment, food and other marine-related or visitor-serving adaptive commercial uses that preserve Warehouse No.1's Historic Resource stature, consistent with the Public Trust Doctrine. Notwithstanding the illustrative use examples, the Harbor Department is flexible and open to diverse, imaginative and thoughtful concepts presented during this Idea Phase.

Warehouse No. 1 is in the Outer Harbor area at the southern end of the Main Channel of the Port, which is located at 2500 Signal Street, San Pedro, California, 90731. The property features exceptional panoramic views, including views of the ocean from Catalina Island to south Orange County, San Gabriel and San Bernardino Mountains, Port's main shipping channel, Vincent Thomas Bridge, and Palos Verdes Peninsula. For more than a century, Warehouse No.1 has been the first building seen by vessels entering the LA Harbor.

Located at the LA Waterfront, Warehouse No. 1 is strategically located next to several current and future developments, which are briefly described in the list below:

- AltaSea. A unique public-private partnership and campus of innovation for ocean-related science, business, and education (further described in Section 4.3.1); and
- Port's West Harbor Development Project (formerly known as the San Pedro Public Market development project). A 42-acre, \$250 million development lead by The Ratkovich Company and Jerico Development. The Harbor Department has invested over \$95 million in infrastructure supporting the West Harbor development which will ultimately result in a modern and vibrant harbor-side entertainment district featuring a broad spectrum of retail, dining, and public attractions (further described in Section 4.3.2)

Completed in 1917 in response to the opening of the Panama Canal, Warehouse No. 1 served as the Port's only bonded warehouse, a function that was critical to Los Angeles' entry

into international trade markets. Additionally, Warehouse No. 1 contributed to the Port's explosive growth in imports and exports after WWI. Also, it served a leading role in break-bulk cargo warehousing needs through the early 1960s, until cargo containerization revolutionized port operations.

Further, Crescent Warehouse Company operated a municipal and U.S. Customs bonded warehouse operation within the facility until early 2013. Currently, portions of Warehouse No.1 are still used by the Harbor Department as a storage facility. Today, the site remains in constant demand as a popular film production location for movies and TV shows including Scorpion, Veep, Lethal Weapon, Sneaky Pete, Animal Kingdom, Rug Rats and LA's Finest.

As a symbol of the Port's growth into America's largest trade gateway, Warehouse No.1 is a landmark building, listed in the National Register of Historic Places (#00000386)<sup>1</sup> with the US Department of Interior and is also recognized as a California State Historical Landmark (No. 2709). More detailed information about the site is in Section 5 below.

## 1.2. RFI Objective

This RFI represents the first step in developing plans and approaches to preserve, rehabilitate, and adaptively re-use Warehouse No. 1. The objective of this RFI is to provide the Harbor Department with economic and real-world input and ideas on visitor-serving use profiles that will attract the capital necessary to revitalize, redevelop, adaptively-re-use and economically spur this iconic asset.

The responses to this RFI will assist in shaping and defining the use concepts and parameters that will be evaluated in a planned second step, the Request for Qualifications (RFQ) phase. A planned final Request for Proposals (RFP) stage would represent the third step in the overall process, with the ultimate goal of entering into a long-term agreement with a successful RFP respondent.

## 1.3. Agreement Structure

Warehouse No.1 is a site at the Port of Los Angeles, which is held in trust by the Harbor Department for the citizens of the State of California under the State Tidelands Act. Therefore, the Harbor Department anticipates using a long-term agreement for this redevelopment/reuse opportunity (noting a 66-year term is the current maximum allowable under the City of Los Angeles Charter and the Harbor Department's Statutory Trust Grant.) Although the Harbor Department is flexible and open to diverse, imaginative and thoughtful concepts presented during this Idea Phase, in general, redevelopment uses must be consistent with both the Tidelands Trust and its Historic Resource designation. Such uses could include a mix of creative office, hospitality, and other marine-related or visitor-serving adaptive commercial uses that preserve Warehouse No.1's historic character. It is important to note, long-term residential uses are not compatible with the Tidelands Trust, along with strictly commercial uses lacking any nexus with maritime commerce, marine-related education or recreation, or visitor-serving purpose. However, commercial uses that are considered outside the traditional parameters of the Public Trust have been considered when a significant amount of historic preservation is expected, and the overall project furthers the goals of the Tidelands Trust. Evaluating the trust consistency of a proposed project that is outside

National Register of Historic Places

<sup>&</sup>lt;sup>1</sup> https://npgallery.nps.gov/GetAsset/e481ca56-63cc-4644-8ade-d0112f390dd3/

the parameters of commerce, navigation, fisheries, open space and environmental protection is a complex process that varies from project to project and is dictated by the unique characteristics of a particular project and the public's trust needs at that particular site.

Although the Harbor Department's goal is to utilize a long-term agreement for the site, the RFI itself does not represent the anticipated process to identify or select a potential successful respondent, which shall be further evaluated and selected through the separate RFQ and RFP processes described in Section 1.2 above. The Harbor Department will neither formally rank, score, or otherwise evaluate responses; nor will the Harbor Department use the responses to create a pool for potential future solicitations.

## 1.4. Private Capital Investment

This historic structure will require substantial capital investment. It is anticipated that alterations to retrofit the building for seismic, life/safety, and structural upgrades, as well as to adapt the building for re-use under historic guidelines will be required. The ultimate redevelopment concept must generate revenues and be adequately self-sufficient to attract the private capital necessary to fund the redevelopment costs. As the public lessor, the Harbor Department can offer flexible agreement terms and aid in navigating the regulatory and stakeholder input process. Developers should investigate the availability of potential Tax Incentives for Preserving Historic Properties<sup>2</sup>. This is not required as part of the SOI but will be a part of the analysis of subsequent RFQs and RFPs.

# 2. Site Tour and Questions

## 2.1 Site Tour

The Harbor Department will conduct a non-mandatory site tour for interested parties on December 12, 2024, starting at 10:00 AM, at Warehouse No.1, 2500 Signal St., San Pedro, CA 90731. To RSVP please click the link <a href="here">here</a>. All respondents should RSVP no later than 3:00 P.M. on November 20, 2024.

## 2.2 Questions

Respondents who seek additional information and have questions regarding this RFI are invited to email questions to therr@portla.org by January 15, 2025. All questions will be answered in writing and posted on the <a href="Harbor Department's website">Harbor Department's website</a> and the Regional Alliance Marketplace for Procurement (RAMP), at <a href="https://www.rampla.org">www.rampla.org</a>, on February 7, 2025.

# 3. The Port of Los Angeles<sup>3</sup>

The Port, Southern California's gateway to international commerce, is located in San Pedro Bay, just 20 miles south of downtown Los Angeles. The Port is located at the southerly terminus of the Harbor (I-110) Freeway, leading directly from Downtown Los Angeles to the Port and providing excellent regional accessibility. As the busiest container port in North America, the

Tax Incentives for Preserving Historic Properties

<sup>&</sup>lt;sup>2</sup> https://www.nps.gov/tps/tax-incentives.htm

The Port of Los Angeles

<sup>&</sup>lt;sup>3</sup> <u>https://www.portoflosangeles.org/</u>

Port not only sustains its competitive edge with record-setting cargo operations, but is also known for its groundbreaking environmental initiatives, progressive security measures and diverse recreational and educational facilities.

The Legislature granted the City of Los Angeles filled and unfilled sovereign Public Trust lands pursuant to Chapter 656, Statutes of 1911, and Chapter 651, Statutes of 1929, as amended, known as the Port of Los Angeles. The Port is operated and managed by the City of Los Angeles Harbor Department (Harbor Department), under a state Tidelands Trust. The Harbor Department manages the tidelands trust in accordance with the Public Trust Doctrine and the City's statutory trust grant to promote maritime commerce, navigation, fisheries and public access to the waterfront, water-dependent or visitor-serving related, including commerce, navigation, fishing, as well as water-oriented recreation, visitor serving uses and environmental protection.

Management of the Port is governed by a five-member Board of Harbor Commissioners (Board) appointed by the Mayor and confirmed by the Los Angeles City Council (City Council). As a proprietary and self-supporting department, the Harbor Department is not supported by taxes. Instead, Port revenue is derived from fees for shipping services such as dockage, wharfage, pilotage, storage, property rentals, royalties, and other Port services, which are segregated from general City funds. Considered a landlord port, the Harbor Department leases property to tenants who develop, operate, and manage cargo, passenger, freight, boating, recreational and commercial visitor-serving facilities.

The Port of Los Angeles is America's premier port and has a strong commitment to developing innovative, strategic and sustainable operations that benefit Southern California's economy and quality of life. North America's leading seaport by container volume and cargo value, the Port of Los Angeles facilitated \$292 billion in trade during 2023. San Pedro Bay port complex operations and commerce facilitate one in nine jobs in the five-county Southern California region.

Under the current Port Master Plan, adopted in 1980, comprehensively updated in 2014 and updated in 2018, the Port's vital cargo operations and handling facilities are focused primarily on Terminal Island to the East and other locations which are buffered from the neighboring residential communities of San Pedro and Wilmington. An important Port Master Plan goal of increasing public access to the waterfront has been achieved through deindustrializing waterfront property in Wilmington and San Pedro and allowing for the creation, development, and expansion of visitor-serving facilities on the LA Waterfront.

# 4. The LA Waterfront<sup>4</sup>

Set against the picturesque backdrop and bustling commercial activity of the Port of Los Angeles, the LA Waterfront includes more than 400 acres of land adjacent to 8 miles of prime waterfront and boasts historic Los Angeles Harbor landmarks, such as the welcoming Vincent Thomas Bridge, Angel's Gate Lighthouse, and the iconic Warehouse No. 1. The Harbor Department funds and maintains the LA Waterfront and remains committed to preserving and enhancing public access to the waterfront by connecting visitors and local harbor communities

The LA Waterfront

<sup>&</sup>lt;sup>4</sup> https://www.lawaterfront.org/

with recreational and commercial attractions that expand and diversify the Port's position as a premier source of economic vitality for the region.

The 2009 San Pedro Waterfront EIR further refined the development vision for this area, which extends south along the Main Channel from the Vincent Thomas Bridge and includes the World Cruise Center and Catalina Channel Express terminals, downtown San Pedro, the West Harbor development, the Southern Pacific Slip, and commercial fishing fleet, with its southerly end at City Dock No. 1 - the site of AltaSea, and Warehouse No. 1. To the west is the Outer Harbor, slated for future expanded cruise operations, the Cabrillo Way Marina and commercial development pads, and the former San Pedro Boatworks site at Berth 44 which is the development site for a new modern boatyard. To the far west are picturesque recreational marinas, yacht clubs, office/commercial space, a restaurant and Sportfishing landing, and a 226 key first-class hotel. There are approximately 2,077 recreational boat slips in the San Pedro Waterfront area, and 3,721 recreational boat slips throughout the Port of Los Angeles.

## 4.1. Visitor Attractions<sup>5</sup>

The LA Waterfront includes miles of public promenades and walking paths, acres of open space offering scenic views, visitor attractions and one of the largest water features in Los Angeles. Through its public and private partners, the LA Waterfront is home to the Cabrillo Marine Aquarium, Crafted at the Port of Los Angeles and Brouwerjii West, the DoubleTree by Hilton San Pedro, the Battleship IOWA museum, West Harbor, Harbor Breeze Cruises, Catalina Express, 22<sup>nd</sup> Street Landing Restaurant and Sportfishing and AltaSea at the Port of Los Angeles. A unique destination to play, dine, shop, and explore, the LA Waterfront currently attracts approximately 2 million visitors annually. For more information, visit https://www.lawaterfront.org.

## 4.2. Public Access Investment Plan<sup>6</sup>

Over the past 20 years, the Harbor Department has invested over \$700 million to enhance public access infrastructure along the LA Waterfront. In 2015, the Harbor Department created the Public Access Investment Plan (PAIP) as a 10-year budgetary guideline expected to allocate approximately \$400 million for continued infrastructure investment, operations, and development of the LA Waterfront. The PAIP ties community infrastructure investments to 10% of the Harbor Department's annual operating income. From 2005 to 2025, the Harbor Department expects to invest over \$1 billion in waterfront capital development, programming, and maintenance. The PAIP provides a predictable, transparent, and sustainable investment strategy that builds public access infrastructure, strengthens community engagement, and increases visitors through programming and events – all with the goal of attracting private sector investment along the LA Waterfront.

## 4.3. San Pedro Development Projects

As described above in the previous section, the Harbor Department has committed to substantial additional public investment, with several major private and nonprofit developments

Visitor Attractions and the LA Waterfront

<sup>&</sup>lt;sup>5</sup> https://www.lawaterfront.org/visit

Public Access Investment Plan

<sup>&</sup>lt;sup>6</sup> https://www.portoflosangeles.org/references/2023-news-releases/news\_041323\_paip

currently underway that will add further private investment to the LA Waterfront. Combined, West Harbor and AltaSea are expected to represent more than \$200 million in private investment capital by 2025. The Harbor Department is also investing more than \$100 million in these projects through infrastructure upgrades, which are both anticipated to complete their initial phase of construction by 4Q 2025 / 1Q 2026 almost doubling annual visitation to the LA Waterfront at full build-out and generating up to 1,400 new jobs. The following subsections further describe the PAIP commitments to-date, which include substantial infrastructure investments in the San Pedro public/private development projects that have attracted significant private sector capital.

## 4.3.1. AltaSea at the Port of Los Angeles<sup>7</sup>

AltaSea is a unique 35-acre public-private ocean institute and blue-tech innovation campus. AltaSea's mission is to accelerate scientific collaboration, facilitate job creation, build upon existing strong community relationships and inspire the next generation for a more sustainable ocean. In August 2018, AltaSea took full possession of three warehouses with deepwater dock access, Buildings 58, 59 and 60, as well as a one-acre parcel next to Building 58. In June 2024, AltaSea's Berth 58 Center for Innovation opened as part of a \$30 million renovation of three historic waterfront warehouses<sup>8,9</sup>. This opening represents a 120,000-sf completion of the 180,000 SF warehouse development. The ocean research center will be home to researchers from University of Southern California (USC), University of California, Los Angeles (UCLA) and Caltech, as well as famed oceanographer and explorer Dr. Robert Ballard, credited with discovering the underwater wreckage of the Titanic.

In addition to the above tenants, AltaSea has integrated other tenants and partners including, but not limited to, Vertical Oceans, California Department of Fish and Wildlife, and Pacific Mariculture<sup>10</sup>. AltaSea is also now addressing critical current educational needs through its Project Blue program providing a safe distance-learning environment for students. AltaSea partners including Diane Kim of Holdfast Aquaculture, and Rusty Jehangir of Blue Robotics are delivering high-quality, digestible educational content for science-inclined students in middle and high school as a part of the program.

## 4.3.2. West Harbor<sup>11</sup>

This exciting new visitor-serving commercial center is slated to open in 2025 on the 40-acre former Ports O'Call site. The West Harbor will be a world-class waterfront destination, comprised of 42 acres, situated along the main channel of the Port of Los Angeles and set against the backdrop of North America's busiest working port. West Harbor will provide a vibrant, family-friendly shopping, dining, entertainment, and recreational destination that will connect historic downtown San Pedro to the LA Waterfront, bringing jobs and economic opportunities to the surrounding harbor community. West Harbor will feature expansive public spaces; diverse

AltaSea at the Port of Los Angeles

AltaSea Center for Innovation Ribbon Cutting on May 29, 2024

<sup>&</sup>lt;sup>7</sup> https://altasea.org/

<sup>8</sup> https://drive.google.com/file/d/16o07wVt1lgbgVxs8glnYKldca8aKygYK/view

AltaSea's Berth 58 Center for Innovation Grand Opening

<sup>&</sup>lt;sup>9</sup> https://altasea.org/event/altaseas-ribbon-cutting-of-berth-58/

AltaSea's Partners

<sup>10</sup> https://altasea.org/partners/

West Harbor

<sup>11</sup> https://www.westharborla.com/

entertainment, dining, and retail offerings; access to historical centers and museums; a proposed 6,200-seat open-air amphitheater promoted by Nederlander; and more—providing an authentic and one-of-a-kind Southern California port experience. Planned in multiple phases, phase 1A of the project is an 82,000-sf prefabricated metal building, re-vamped outdoor area, and infrastructure and parking. West Harbor is being developed through a joint venture between The Ratkovich Company and Jericho Development<sup>12</sup>.

## 4.3.3. Town Square & Promenade<sup>13</sup>

In January of 2020, the Harbor Department officially broke ground on the \$53.7 million LA Waterfront town square and promenade project, which will connect San Pedro's Downtown Harbor to the future West Harbor development. Features of the 1.9-acre, 30-foot-wide promenade and four-acre town square will include "harbor swings," public seating, landscaping, hardscaping, signage, architectural finishes, handrails, and lighting. In response to growing tourism and visitors to the LA Waterfront, the project will include construction of public restrooms as well.

## 4.4. Future Developments<sup>14</sup>

The future projects, identified below, include initiatives that will build on existing and proposed modes of mobility as a foundation to create a network of well-connected, multi-benefit spaces that are accessible and safe for all state-wide visitors seeking to enjoy an authentic LA Waterfront.

## 4.4.1. Boatyard at Berth 44

The Harbor Department is currently in negotiations with a developer for the proposed private development, construction and operation of a state-of-the-art boatyard to serve Southern California's recreational and commercial boaters. Additionally, the Harbor Department is currently in the California Environmental Quality Act (CEQA) assessment process. A Notice of Preparation/Initial Study was released in January 2024<sup>15</sup>.

### 4.4.2. Cabrillo Way Marina Commercial Development Opportunity

The Harbor Department is currently in advanced negotiations with a developer for the privatization of the Cabrillo Way Marina recreational boating improvements and the development of the Cabrillo Way Marina Commercial Development pads, which was previously approved for approximately 90,000 sf of commercial development under the 2009 San Pedro Waterfront EIR<sup>16</sup>, with the anticipated goal of entering into a long-term agreement in 2025.

West Harbor Fills Out on San Pedro Waterfront

<sup>12</sup> https://la.urbanize.city/post/west-harbor-development-fills-out-san-pedro-waterfront

Port Of Los Angeles Celebrates Phase I Completion Of The \$36 Million Town Square & Promenade Project

<sup>&</sup>lt;sup>13</sup> https://www.portoflosangeles.org/references/2021-news-releases/news\_102121\_townsquare

Development Opportunities at the LA Waterfront

<sup>&</sup>lt;sup>14</sup> https://www.lawaterfront.org/invest/development-opportunities

Port of Los Angeles Releases Initial Study, Notice of Preparation For Proposed Boatyard At Berth 44

<sup>&</sup>lt;sup>15</sup> <u>https://www.portoflosangeles.org/references/2024-news-releases/news 011124 nop b44 boatyard</u> 2009 San Pedro Waterfront EIR

<sup>16</sup> https://www.portoflosangeles.org/environment/environmental-documents

### 4.4.3. Outer Harbor Cruise Terminal

The Harbor Department released an RFP<sup>17</sup> in 2024 for the construction and operation of a combined modern cruise terminal and event space in the Outer Harbor.

## 4.4.4. San Pedro Residential Development Activity

Due to its location, favorable economic conditions, and pro-development community climate, San Pedro has experienced a renaissance of residential development, which include a mix of affordable and market-rate units. In the past five years, 570 multifamily units were delivered in San Pedro, and there are more than 1,700 units that are currently under construction<sup>18</sup>. While not part of the Harbor Department's jurisdiction, this residential activity adds to the burgeoning economic vibrancy of San Pedro and the LA Waterfront.

It is worth noting that One San Pedro<sup>19</sup>, which is estimated for completion in 2037, is the most significant residential development coming to the area. Over the next decade, it will provide 1,600 new mixed-income residential units, as well as ground-floor retail and community amenities. The 1,600 units are a mix of for-sale and rental dwellings, with more than 1,000 marketed as affordable. The development has five acres of open space and 90,000 square feet of ground-floor retail. Other amenities include space for community services like childcare, business incubation, and health care. The development will also boast an integrated network of walking and biking paths.

# 5. Site Description and Considerations

# 5.1. Warehouse No. 1 Site and Building Characteristics<sup>20</sup>

Located in the Outer Harbor area at the southern end of the Main shipping channel, Warehouse No. 1 is one of the largest and most prominent structures at the Port of Los Angeles. The reinforced board-formed concrete structure is 6 stories tall (68 feet high) with 480,000 sf of interior space. A building footprint of 500 x 160 feet (80,000 sf) sits on an overall site consisting of approximately 125,000 sf, or approximately 2.9 acres.

Both massive in size and detailed in design, the Neoclassical building features lions-head gargoyle down spouts and an iconic water-tower atop the building that makes it instantly recognizable to millions. The ground floor was designed to accommodate 24 internal freight cars for quick movement of shipments to the wharves. The first floor is 14'-6" in height and the remaining floors have 10'-0" floor to ceiling heights. A basement roughly 5 feet below grade has a 7'-9" floor to ceiling height. Principal access is located on the north end of the building and

San Pedro's Waterfront Connectivity Plan

Cruise Terminal Development and Operations RFP

<sup>&</sup>lt;sup>17</sup> Final RFP

<sup>&</sup>lt;sup>18</sup> <u>https://www.lawaterfront.org/invest/current-port-projects/san-pedro-connectivity-plan</u>

HACLA Commissioners give key sign off to Rancho San Pedro redevelopment

<sup>&</sup>lt;sup>19</sup> <u>https://la.urbanize.city/post/hacla-commissioners-give-key-sign-rancho-san-pedro-redevelopment</u>

Port of Los Angeles Warehouse No. 1

<sup>&</sup>lt;sup>20</sup> https://www.youtube.com/watch?v=GUUONvDZgt8

includes a concrete ramp and loading docks on either side of the ramp. The site is paved and includes 50 parking spaces located on its north, east and west sides.

Address: 2500 Signal Street, Los Angeles, CA 90731

Assessor Parcel No: 7440-037-902 Building Area: 480,000 sf

Land Area: ≈125,000 sf (2.9 acres +/-)

Zoning: M3

Existing Use: Warehouse/Office

Parking Spaces: 50 +/-Rail Served: No Year Built: 1917

Construction Type: Reinforced Concrete over pile system on fill Specific Plan Area: Port of Los Angeles - Port Master Plan

Council District: 15

## 5.2. Structural Conditions

The structure, completed in 1917, is situated on man-made fill in the Los Angeles Harbor at the southern end of the East Channel, in an area subject to high seismic risk. In 2007, A Seismic Retrofit Preliminary Geotechnical Investigation was prepared by Diaz Yourman & Associates. This report evaluated retrofitting the structure to FEMA 2000 standards for Historic Buildings. Additionally, a Structural Feasibility Study performed in 2007 by Miyamoto International, Inc. evaluated the structural system and modifications necessary to create a new, usable space with an occupancy and functionality other than the current heavy storage use. The structural evaluation for the renovation feasibility study was based on meeting Basic Safety Objective (BSO) rehabilitation goals developed per FEMA 356 and was anticipated to conform with 2007 California Building Code requirements.

These and other reports and analysis including renovation cost estimates (2007), structural testing and a proposed architectural concept, along with original plans for the building dated September 10, 1915 "M.D. No. 1 – Warehouse No. 1" created by the Harbor Department, are available for informational purposes in the Cloud Data Room, which is described in Section 5.9, below.

### 5.3. Environmental Assessment under CEQA

The adaptive reuse of Warehouse No. 1 was contemplated in the Port Master Plan. However, it was not assessed in the 2009 San Pedro Waterfront EIR, as the redevelopment of the City Dock No. 1 area of the LA Waterfront was programmatically addressed as "institutional uses" with details to be developed later in a focused 2012 project EIR, with CEQA Addenda in 2013 and 2017. The 2009 San Pedro Waterfront EIR only described Warehouse No. 1 as receiving public access from "the Waterfront Promenade that would extend to the south toward City Dock No. 1, along the edge of the Main Channel providing access to Warehouse No. 1." Warehouse No. 1 was considered for adaptive reuse as a potential location for a Red Car Museum, in a CEQA Alternative which was ultimately rejected in favor of the 2009 San Pedro Waterfront EIR. With the Waterfront Promenade access and burgeoning developments at Alta Sea, Warehouse No. 1 is now ready to begin the redevelopment proposal solicitation process. Ultimately the project will require a new Environmental Impact Report (EIR), that will consider its status as a national registered historic landmark.

## 5.4. Historic Resource Status

As a symbol of the Port's growth into America's largest trade gateway, Warehouse No.1 is a landmark building, listed in the National Register of Historic Places (#00000386)<sup>21</sup> with the US Department of Interior and is also recognized as a California State Historical Landmark (No. 2709). The designated status allows use of the California State Historic Building Code<sup>22</sup>, which provides alternative permitting regulations for the rehabilitation of original or restored elements and features. Redevelopment of the property will need to comply with the Secretary of the Interior's Standards for Rehabilitation<sup>23</sup> and be subject to the California Environmental Quality Act (CEQA) through the EIR process.

## 5.5. California State Lands Commission - Public Trust Doctrine

The Legislature has given the California State Lands Commission authority over California's sovereign lands – lands under navigable waters. These are lands to which California received title upon its admission to the Union and that are held by virtue of its sovereignty. These lands are also known as Public Trust lands. The Commission administers Public Trust lands pursuant to statute and the Public Trust Doctrine – the common law principles that govern use of these lands. These principles include Public Trust Lands are owned by the public and held in trust for the people by government and cannot be bought and sold like other state-owned lands. As a result of the State's Tidelands grant of the Port of Los Angeles to the City described in Section 3 above, the Harbor Department holds Warehouse No. 1 in trust for the benefit of the people of the state of California consistent with the State Tidelands Grant and Public Trust Doctrine, and is also subject to the above Public Trust restrictions against sale of Port land and must act as a trustee for statewide benefit.

Under the Public Trust Doctrine, uses are limited to those that promote public trust purposes, which are generally limited to maritime commerce, fisheries, navigation, water-dependent or marine-related education and recreation, visitor-serving facilities and environmental preservation. Uses that are generally not permitted on Public Trust lands are those that are not Trust use-related, do not serve a public purpose, and can be located on non-waterfront property, such as residential and non-maritime related commercial and office uses. The most flexibility in allowable Trust uses is reserved for those that satisfy Trust goals of providing public access, services and/or programming to visitors from throughout the state of California.

Public Trust uses have evolved over time through additional state legislative grants to modify allowable uses as public needs change. Initially, Public Trust uses were limited to maritime commerce, navigation and fishing, but in recent decades have been expanded by judicial decisions and said statutory grant amendments to include water-oriented recreation, retention as open space and habitat protection for wildlife and plant preservation and for scientific study and visitor-serving amenities. Obvious Public Trust uses include ports, wharves, docks, marinas, buoys, commercial and sport fishing, boating, swimming, open space and wildlife refuges.

National Register of Historic Places

<sup>&</sup>lt;sup>21</sup> <u>https://npgallery.nps.gov/GetAsset/e481ca56-63cc-4644-8ade-d0112f390dd3/</u>

California State Historic Building Code

<sup>&</sup>lt;sup>22</sup> http://ohp.parks.ca.gov/?page\_id=21410

Secretary of the Interior's Standards for Rehabilitation

<sup>&</sup>lt;sup>23</sup> <u>https://www.nps.gov/tps/standards/rehabilitation/rehab/stand.htm</u>

Less obvious, but nonetheless appropriate, Public Trust uses include commercial and industrial facilities that by their very nature require locations on the water or directly adjacent to the water. These include warehouses, power plants, oil and gas production facilities and pipelines. Other Public Trust uses are those that are ancillary or incidental to the use and enjoyment of Public Trust lands. They support Public Trust uses or provide accommodation for these uses and include hotels, restaurants, visitor-serving establishments and parking facilities. More difficult issues arise when trying to decide whether commercial and retail establishments primarily serve visitors to the waterfront or local residents; or whether recreational venues have a sufficient connection to water to enhance the public's use and enjoyment of the water. Purely residential uses such as condominiums or apartments would not be an allowable use for the Port of Los Angeles, nor would a project use consisting of purely local-serving retail or offices.

Evaluating the trust consistency of a proposed project that is outside the parameters of maritime commerce, navigation, fisheries, open space, and environmental protection is a complex process that varies from project to project and is dictated by the unique characteristics of a particular project and the extent to which it satisfies Public Trust objectives at that particular site.

In prior analyses of trust consistency, the Commission has considered historic preservation of maritime structures as falling within the range of appropriate public trust uses when significant public trust uses and public access, including access to view historic maritime structures, are incorporated into the project, and when the project meets the standards for rehabilitation and guidelines for rehabilitating historic buildings as set forth by the Secretary of the Interior. As previously stated, evaluating the trust consistency of a proposed project that is outside the parameters of commerce, navigation, fisheries, open space and environmental protection is a complex process that varies from project to project and is dictated by the unique characteristics of a particular project and the public's trust needs at that particular site.

## 5.6. Potential Adaptive Re-Uses

The Harbor Department anticipates that feasible uses for Warehouse No. 1 may include water-dependent uses, arts, culture and museum uses, entertainment, education, maritime (excursion and leisure) uses, entertainment, assembly, parks and open space, hospitality, historic preservation, and visitor-serving retail use concepts. Given the size of the building, it is possible that the highest utility for the site would derive from a mix of complementary uses. Interested parties with compatible uses and/or variable pertinent past experience are encouraged to team up to explore such alternatives.

## 5.7. Port of Los Angeles Regulatory Framework

All operations within the Port of Los Angeles Harbor District are subject to the State Tidelands Trust, the California Coastal Act, and the City of Los Angeles Charter provisions, among other laws. As a proprietary department of the City of Los Angeles, the Harbor Department handles certain planning, zoning, and permitting requirements, including issuance of Coastal Development Permits (CDP)s under oversight by the California Coastal Commission. Additionally, the Harbor Department would be the lead agency under any project environmental assessment performed under the California Environmental Quality Act (CEQA).

The Harbor Department's planning efforts center around the long-range Port Master Plan, which guides the future development of the Port consistent with the Provisions of the California

Coastal Act. An expanded commercial use for Warehouse 1 has already been included in the existing Port Master Plan<sup>24</sup>, which will aid in streamlining the entitlement process.

## 5.8. Federal Historic Preservation Tax Incentive Program

The Federal Historic Preservation Tax Incentives Program<sup>25</sup> encourages private sector rehabilitation of historic buildings and is one of the Nation's most successful and cost-effective community revitalization programs.

The program is administered by National Park Service and the Internal Revenue Service in partnership with State Historic Preservation Offices. California's Office of Historic Preservation<sup>26</sup> (OHP) Architectural Review and Incentives Unit administers the Federal Historic Preservation Tax Incentives Program and provides consultation and architectural review based on conformance with the Secretary of the Interior's Standards for the Treatment of Historic Properties<sup>27</sup> (Standards)

Planning Successful Rehabilitation Projects<sup>28</sup> provides guidance on interpreting and applying the Standards, windows, interior treatments, new additions and related new construction, modern requirements and new technologies and materials, and functionally-related complexes.

## 5.9. Due Diligence Documents

Applicable documents and plans available to Respondents to assist in the formulation of their SOIs will be provided by the Harbor Department on <a href="www.Rampla.org">www.Rampla.org</a>. Documents include but are not limited to: (1) Seismic Retrofit Preliminary Geotechnical Investigation, (2) Structural Feasibility Study, and (3) potential building plans and cost estimate.

# 6. Request for Interest (RFI) Objectives

The primary objective of this RFI is to identify, gather initial input, and understand interested parties' vision to advance Warehouse No. 1's successful redevelopment. Key considerations and objectives of the Harbor Department are to:

- Fulfill Historic Resource rehabilitation/redevelopment requirements:
- Provide for an adaptive re-use(s) that conforms with Public Trust and Statutory Trust Grant requirements; and
- Conceptually generate revenues sufficient to justify the project redevelopment costs.

Port Master Plan

Federal Historic Preservation Tax Incentives Program

<sup>&</sup>lt;sup>24</sup> https://www.portoflosangeles.org/about/port-master-plan

<sup>&</sup>lt;sup>25</sup> http://www.nps.gov/tps/tax-incentives.htm

California's Office of Historic Preservation

<sup>&</sup>lt;sup>26</sup> https://ohp.parks.ca.gov/?page\_id=29847

Secretary of the Interior's Standards for the Treatment of Historic Properties

<sup>&</sup>lt;sup>27</sup> http://www.nps.gov/tps/standards.htm

Planning Successful Rehabilitation Projects

<sup>&</sup>lt;sup>28</sup> http://www.nps.gov/tps/standards/applying-rehabilitation/successful-rehab.htm

Rather than proceeding with a formal RFQ/RFP process initially, this RFI step has been included to create an iterative process in which interested developers and/or users may submit potential concepts that can be considered for viability and refined in subsequent stages along the way. This approach will minimize efforts spent by all parties on non-viable approaches and will allow for more optimal subsequent formal RFQ/RFP processes.

The Harbor Department invites SOI responses from developers, community groups and organizations, business owners, entrepreneurs, education and cultural institutions, potential tenants/users, and stakeholders for the maritime, commercial, and visitor-serving uses described above. Ideally, this process will facilitate collaboration and partnership between developers and potential tenants/users. All potential respondents, including, but not limited to, developers, business operators, and other stakeholders are encouraged to team up in order to maximize the viability of their use and vision.

Harbor Department staff will use the Statements of Interest received to formulate promising high-level adaptive re-use and redevelopment strategies. The resulting viable strategies may help form the basis for issuing the subsequent RFQ/RFP.

SOI responses should be based on experience and include a level of detail and be sufficient to support the initial feasibility analysis of the proposed concept.

## 7. Statement of Interest Guidelines

### 7.1. Statement of Interest Submission

To be a part of the planning phase of this Redevelopment Opportunity, please submit one (1) electronic copy in a single PDF file (20 MB maximum) of your Statement of Interest (SOI) on or before 3:00 p.m., March 10, 2025 to Tanisha Herr at therr@portla.org.

Respondents are solely responsible for the timeliness of their submittals. As such, respondents are cautioned to budget adequate time to ensure that their SOIs are delivered at the location designated at or before the deadline set forth above.

## 7.2. Statement of Interest Content

Submissions should be organized in the format outlined below. The body of the SOI should be no more than ten (10) 8.5 x 11 pages (in PDF format - 20MB max.), including planned concepts and other attachments.

All SOIs shall provide the following in the indicated format:

## Section A - Letter of Transmittal

## • Section B – Firm/Team Identity Statement

 A concise Statement of Firm Identity (Developer, Tenant, Institution) that describes the respondent's identity.

## • Section C - Conceptual Vision

 A narrative description that outlines the vision for adaptive reuse including the overall best use of property and targeted demographic customer base.

## • Section D – Thoughts and Advice for Harbor Department

Any thoughts and advice you wish the Harbor Department to consider when: (1) identifying and advancing the vision for this Redevelopment Opportunity; and (2) carrying out the RFQ/RFP phase of the project to select the optimal partner to advance this redevelopment.

## Section E – Conceivable Financial Capability and Resources Pro Forma (Optional)

 A high-level outline of the potential financial pro forma of adaptive uses displaying funding strategy for the proposed adaptive reuse of Warehouse No. 1.

Each submission should take the following factors into consideration:

- Does the use concept have the potential to satisfy the 3 primary redevelopment project requirements?
  - 1. Preservation and rehabilitation according to historic Resource guidelines;
  - 2. Conformity with acceptable Public Trust and Statutory Trust Grant uses; and
  - 3. Financial feasibility supporting redevelopment project costs.

Respondents will be contacted for in-person interviews with Harbor Department staff, to allow each party to further explain and gain knowledge regarding the Redevelopment Opportunity and Respondent's proposed concept/vision. Although the SOI and interview will not be graded; it will allow Harbor Department learn from each Respondent and ensure this redevelopment opportunity is advanced as optimally as possible.

# 8. Future RFQ and RFP Phases

Respondents who have the relevant experience necessary for developing and bringing their concepts to market are encouraged to participate in this RFI phase as well as the subsequent planned RFQ/RFP phases. Such experience would include development and financing of extensive specialty-commercial, hospitality, retail, or other active visitor-serving uses and/or industrial conversion real estate development experience. Ultimately, the Harbor Department seeks demonstrated creative and innovative approaches to the development and/or operation of adaptive reuse projects. It is the intent at the conclusion of the RFQ phase that a limited number of development concepts and potential operators will be identified as having the relevant experience necessary to fulfill the redevelopment goals for Warehouse No. 1. Therefore, it is anticipated that participation in the final RFP phase will generally be limited to a select group of participants; typically, no more than three (3) to five (5) participants will be invited to participate in the RFP phase.

Once a firm or team has been selected through the subsequent RFP process, the Harbor Department anticipates entering into negotiations of an appropriate long-term agreement. The RFP stage will require the submittal of detailed and precise economic terms and development timetables relating to the respondents' proposed redevelopment plans. The terms of an agreement are subject to the discretion and approval of Harbor Department management and the Board. Agreement recommendations are subject to the approval of the Board and City Council.

In order to ensure a transparent overall process, a discussion of all completed and responsive SOI submissions will be included after a corresponding lease for the subject property is approved by the Board and City Council.

# 9. General Information and Limitations

The issuance of this RFI and the submission of a SOI by any respondent, or the acceptance of such SOI by the Harbor Department does not obligate the Harbor Department in any manner. The Harbor Department reserves the rights to:

- Amend, modify or withdraw this RFI;
- Revise any requirements of the RFI;
- Request supplemental statements of information from any RFI respondent;
- Accept or reject any or all SOIs;
- Extend the deadline for submission of SOIs; and
- Hold discussions with or without any respondent.

Respondents are advised that any information submitted as part of this Request for Interest will ultimately become public information and may be released without further notification after a corresponding lease is approved by the Board and City Council. Any information that the Respondent wishes not released at the end of this process should not be submitted with the SOI.

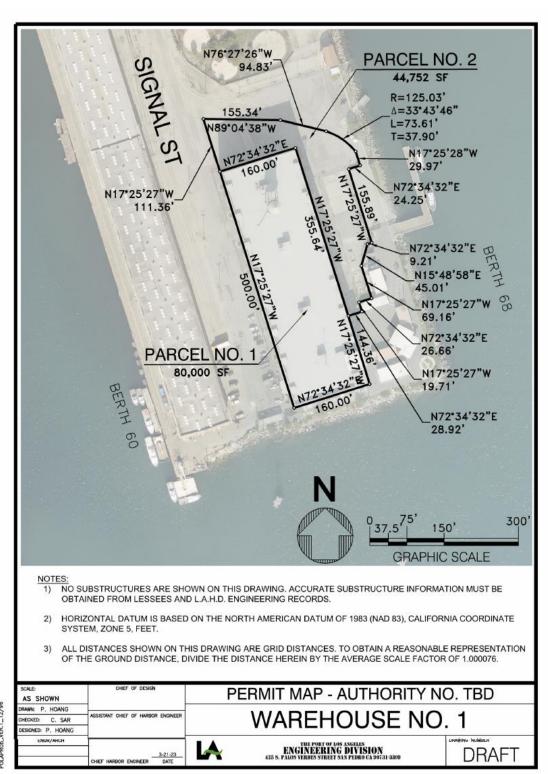
The right to include or exclude any and all SOIs shall, in every case, be reserved by the Harbor Department, as shall the right to waive any informality in the SOIs when to do so would be to the advantage of the Harbor Department. The Harbor Department will issue a summary report of SOI responses to the Harbor Department's website after a corresponding lease is approved by the Board and City Council.

# **APPENDICES**



Appendix A – Aerial of Warehouse No. 1

Appendix B - Permit Map of Warehouse No. 1



DWG, N Nag Proprogram, V. T. L. L. Schalbert District District Book DATE. In May 91, 2023 Bridgers NAFFE BDPV-PIER DOBBERS MAGESTL. 647, 77 Bb L6 647 POLAPROG. VER. 1. 12/96

Appendix C – Vintage Photo of Warehouse No. 1



Appendix D – Vintage Aerial of Warehouse No. 1

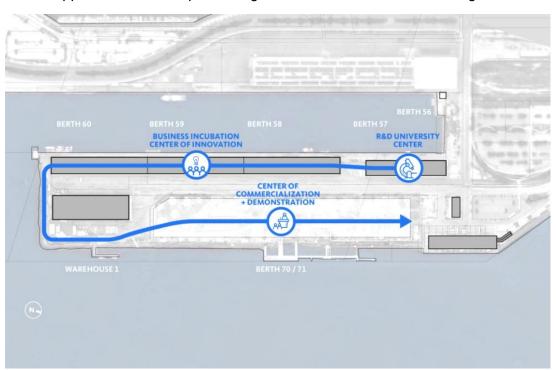


Appendix E – Rendering of West Harbor



Appendix F – Aerial Rendering of West Harbor





Appendix G – Concept Drawing of AltaSea at the Port of Los Angeles