



Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: SEPTEMBER 20, 2023**

**FROM: WATERFRONT & COMMERCIAL REAL ESTATE**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - APPROVE REVOCABLE PERMIT NO. 23-06 WITH LOS ANGELES MARITIME INSTITUTE**

**SUMMARY:**

Staff requests approval of Revocable Permit No. 23-06 (RP 23-06) with the Los Angeles Maritime Institute (LAMI) for the use of a City of Los Angeles Harbor Department (Harbor Department) property consisting of a 5,339 square foot (s.f.) space located at Municipal Warehouse No. 1, Rooms 108 and 155 in San Pedro. LAMI will be utilizing the site to house and store boat repair tools and materials, event materials, office equipment and supplies, and other items incidental to the TopSail Youth Program.

LAMI, a California non-profit corporation, operates the TopSail Youth Program for middle and high school students, including at-risk youth, on maritime education and hands-on tall ships sailing within the Port of Los Angeles (Port). The program has been in operation at the Port since 1992. Curriculum focuses on the Port, the maritime industry, communication, teamwork, and instills responsibility, leadership, and self-esteem by providing character-building experiences.

Given the significant benefits received by the Harbor Department from the services provided by LAMI, staff requests waiving the monthly rent. LAMI will be financially responsible for all other costs, including but not limited to utilities, equipment, labor, Port Police security, site repair and maintenance. Pursuant to the Harbor Department's Leasing Policy, the Board of Harbor Commissioners (Board) is required to approve this no-rent Revocable Permit.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners:

1. Find that the Director of Environmental Management has determined that the proposed action is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under Article III Class 1(14) and 1(18)(a) of the Los Angeles City CEQA Guidelines;
2. Find that the proposed action is the best interest of the City of Los Angeles Harbor Department based on the value of services delivered to the community exceeding the market rental value of the property, and the rent that would be due and owed imposes an understandable hardship;
3. Approve Revocable Permit No. 23-06 with Los Angeles Maritime Institute;
4. Authorize the Executive Director to execute and the Board Secretary to attest to

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Revocable Permit No. 23-06; and

5. Adopt Resolution No. \_\_\_\_\_.

**DISCUSSION:**

Background – LAMI, a California non-profit corporation, operates the free TopSail Youth Program for upper elementary, middle and high school students, including at-risk, under resourced youth, on maritime education and hands-on tall ships sailing within the Port of Los Angeles. TopSail Youth Program curriculum focuses on the Port, the maritime industry, communication, teamwork, and instills responsibility, leadership, and self-esteem by providing character-building experiences. LAMI also operates the free TopSail STEM and Sea Scouts/Youth program, which teaches science and job skills for youth in the local community. The programs have been in operation at the Port since 1992.

Warehouse No. 1, Rooms 108 and 155, can be used for various purposes and provide adequate storage space that otherwise would be unused. Given the benefits that LAMI provides through its various free programs and operations, staff recommends waiving rent for this use.

Summary of Significant Permit Terms

Effective Date – The month-to-month Revocable Permit (Transmittal 2) will be effective upon execution by the Executive Director and revocable upon 30 days' written notice.

Premises – The premises is comprised of 5,339 square feet of space located in Warehouse No. 1, Rooms 108 and 155, in San Pedro. LAMI will be responsible for site maintenance, insurance and upkeep.

Compensation – Rent will be waived due to the public benefit provided to local and regional communities from LAMI's proposed use of this site.

Use – The premises shall be used to further a free TopSail Youth Program by housing and storing boat repair tools, supplies and office materials in the furtherance of the TopSail Youth Program deemed appropriate by the Executive Director and not for any other use without prior written consent of the Executive Director.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of RP 23-06 with LAMI for the use of Rooms 108 and 155 at Warehouse No.1 for the storage of materials, which is an activity that involves the issuance of a permit or other entitlements granting use of municipal warehouses and transit sheds involving negligible or no expansion of use beyond that previously existing or permitted. Therefore, the Director of Environmental Management has determined that the proposed action is categorically exempt from the requirements of CEQA in accordance with Article III Class 1(14) and 1(18)(a) of the Los Angeles City CEQA Guidelines.

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FINANCIAL IMPACT:

Approval of the proposed RP 23-06 would result in no rent being paid to the Harbor Department for LAMI's use of 5,339 square feet of space located in Warehouse No. 1. Effective January 1, 2023, the monthly rate per square foot for covered- area space assignments was \$0.75 per square foot per month as per Tariff No. 4, Section 810.

Based upon the proposed 5,339 square foot premises under RP 23-06, the Harbor Department would forego rent of \$4,004 per month using the applicable Tariff No. 4 rate for covered-area space assignments. Effective January 1, 2024 and annually thereafter, covered-area space assignments would increase by the greater of 2% or the annual change in the Consumer Price Index, subject to a minimum increase of \$0.01 per square foot per month per year.

CITY ATTORNEY:

The proposed Revocable Permit No. 23-06 has been reviewed and approved as to form and legality by the Office of the City Attorney.

TRANSMITTALS:

- 1. Site Map
- 2. Revocable Permit No. 23-06

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

FIS Approval: *MB*  
 CA Approval: *SO*  
*Michael DiBernardo*  
 MICHAEL DiBERNARDO  
 Deputy Executive Director

APPROVED:

*Marla Blevins* For  
 EUGENE D. SEROKA  
 Executive Director