



Executive Director's  
Report to the

Board of Harbor Commissioners

**DATE: OCTOBER 28, 2015**

**FROM: WATERFRONT & COMMERCIAL REAL ESTATE**

**SUBJECT: ORDER NO. \_\_\_\_\_ – RESETTING COMPENSATION UNDER PERMIT NO. 147 WITH THE CITY OF LOS ANGELES DEPARTMENT OF RECREATION AND PARKS FOR CABRILLO FISHING PIER**

**SUMMARY:**

The Waterfront & Commercial Real Estate Division recommends to the Board of Harbor Commissioners (Board) resetting compensation for Permit No. 147 between the City of Los Angeles Department of Recreation and Parks (Recreation and Parks) and the City of Los Angeles Harbor Department (Harbor Department) for the operation, and maintenance of the Cabrillo Beach Fishing Pier located in San Pedro. Permit No. 147 has a 50-year term that commenced on September 1, 1968 and will expire on August 31, 2018. Consistent with the terms and conditions of Permit No. 147 that compensation be reset every five years, the proposed Order recommends compensation to the Harbor Department to remain at zero dollars in recognition of the public recreational services provided by Recreation and Parks and the site's preclusion from other use due its proximity to the federal breakwater.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners:

1. Find that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management;
2. Approve the Order resetting compensation for the period of September 1, 2013 through August 31, 2018 under Permit No. 147;
3. Authorize the Board Secretary to attest to the Order resetting compensation under Permit No. 147; and
4. Adopt Order No. \_\_\_\_\_.

**DISCUSSION:**

Background – Permit No. 147 grants Recreation and Parks use of Harbor Department land and water areas consisting of approximately 174,351 square feet for the construction, operation, and maintenance of a public sports fishing pier at the San Pedro Breakwater (Transmittal 1 - Site Map), consistent with the California State Tidelands Trust. As required by the terms and conditions of Permit No. 147, it is necessary to reset compensation for the five-year period from September 1, 2013 through the life of the term, which is August 31, 2018. The delay in resetting compensation was due to management changes at Recreation and Parks and a 2014 fire at their downtown building.

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Prior and Proposed Rent – On December 15, 2011, the Board approved Order No. 11-7097 (Transmittal 2 – Previous Order), which reset the no charge compensation for three, five-year periods commencing between September 1, 1998 and ending August 31, 2013. From the inception of Permit No. 147 in 1968, there has been no land and water rent charged to Recreation and Parks for the fishing pier in recognition of: (1) the public recreational services provided, which are consistent with the California State Tidelands Trust and the Harbor Department's goals regarding waterfront access, and (2) limitations of the site's use, since it is located adjacent to the federal breakwater. The Harbor Department did formerly received 20 percent of gross receipts collected from bait and food sales occurring within the premises. The maintenance of such retail operations on the fishing pier was not financially sustainable and was discontinued in 1983. All concession improvements on the pier, owned by Recreation and Parks, have since been demolished and all demolition costs were paid for by Recreation and Parks.

Under the terms of the 2001 State Lands Commission Nexus Settlement Agreement No. 2138 and superseding Agreement No. 1956, the Harbor Department pays for operating and maintenance costs incurred by Recreation and Parks at the multiple sites they operate on Harbor Department property, including the Permit No. 147.

Staff recommends that the Board approve the proposed Order (Transmittal 3) to continue zero compensation under Permit No. 147 for the period of September 1, 2013 through August 31, 2018. The Board of Recreation and Parks will consider the terms of this proposed Order at their meeting on November 5, 2015.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is a resetting of compensation for Permit No. 147 with Recreation and Parks. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

The compensation to the Harbor Department under Permit 147 for the Cabrillo Beach Fishing Pier is proposed to remain unchanged at zero dollars and will allow for the continued daily maintenance and minor repairs of the pier by Department of Recreation and Parks personnel through the end of the Permit term on August 31, 2018.

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**CITY ATTORNEY:**

The Order resetting compensation under Permit No. 147 has been reviewed and approved as to form and legality by the Office of the City Attorney.

**TRANSMITTALS:**

1. Site Map
2. Previous Order
3. Proposed Order

FIS Approval: MB (initials)  
CA Approval: MB (initials)

  
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Director of Waterfront & Commercial Real Estate

  
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APPROVED:

  
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