



THE PORT  
OF LOS ANGELES  
Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE:** APRIL 19, 2016

**FROM:** CARGO & INDUSTRIAL REAL ESTATE

**SUBJECT:** RESOLUTION NO. \_\_\_\_\_ - APPROVAL OF JOINT REVOCABLE PERMIT NO. 16-02 AMONG THE CITY OF LOS ANGELES HARBOR DEPARTMENT, PORT OF LONG BEACH, AND STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

**SUMMARY:**

Staff requests approval of Joint Revocable Permit (JRP) No. 16-02 to grant the State of California Department of Transportation (Caltrans) use of property jointly owned by the City of Los Angeles (Harbor Department) and Port of Long Beach (POLB) to access, construct, operate, maintain and remove, on a non-exclusive basis, temporary structures to be used in conjunction with the painting of the adjacent SR-103 Bridge. Caltrans scope of work includes spot blasting, re-painting the bridge railings, and cleaning and applying overcoat paint on the structural steel girders and columns.

**RECOMMENDATION:**

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

1. Find that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article III Class 4(6) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management;
2. Find that a one-time permit under Joint Revocable Permit No. 16-02 for the premises utilized by Caltrans for the maintenance of the SR-103 Bridge is in the best interest of the City of Los Angeles Harbor Department due to the essential service it provides to Port of Los Angeles and the public who utilize the SR-103 Bridge;
3. Approve Joint Revocable Permit No. 16-02 among the City of Los Angeles Harbor Department, Port of Long Beach, and the State of California Department of Transportation;
4. Authorize the Executive Director to execute and the Board Secretary to attest to Joint Revocable Permit No.16-02; and
5. Adopt Resolution No. \_\_\_\_\_.

SUBJECT: PROPOSED MASTER JOINT REVOCABLE PERMIT NO. 16-02 WITH STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

**DISCUSSION:**

Background/Context – The property is located along the former Southern Pacific Railroad (SPRR) and Union Pacific Railroad (UPRR) right-of-ways (ROW) within the County of Los Angeles. The railroad properties purchased are held by the Harbor Department and POLB as tenants in common, with each holding an undivided 50 percent interest in the property and are successors-in-interest to all railroad agreements, leases, and licenses, related to the acquired railroad ROW. Many of these entitlements have outdated language, some of which date back to the 1920's. The proposed JRP (Transmittal 1) includes permit language that reflect current standard terms and provisions.

JRP Terms and Conditions – The general terms and conditions of the proposed JRP are as follows:

Use: The JRP allows Caltrans to access, construct, operate and maintain and remove, on a non-exclusive basis, temporary structures to be used in conjunction with the painting of the adjacent SR-103 Bridge on Harbor Department and POLB property.

Premises: The JRP encompasses the premises located within jointly owned property. The premises are comprised of 1,524 square feet of improved land as described in Exhibit B of the permit.

Compensation: Caltrans completed an in-house appraisal and has established a fee of \$20,200 to offer Harbor Department and POLB. Caltrans' appraisal is above the minimum value of \$25.00 square feet per year (see calculation in the Financial Impact Section)

The Harbor Department and POLB have agreed to accept the one-time permit fee of \$20,200 for the use of the Premises for a period of 34 months. The Harbor Department will receive \$10,100 (50 percent of the permit fee).

Exhibit A of Transmittal 1 provides the permit fee.

Term: The JRP will be effective upon execution by both the Harbor Department and POLB, and revocable upon 60 days' written notice by any party.

Insurance: The JRP requires that the Harbor Department and POLB to be named as additional insured's under Caltrans' insurance coverage, including environmental pollution insurance.

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The POLB is pursuing approval of the Caltrans JRP through its Board of Commissioners.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of a JRP with POLB and CalTrans to allow CalTrans to access jointly-owned Harbor Department and POLB property for construction, operation, maintenance and removal of temporary structures to be used in conjunction with the painting of the adjacent SR-103 Bridge. This action is limited to the temporary structures on jointly owned property in support of the bridge painting project and does not constitute approval of the bridge painting project itself. Therefore, as an activity involving the temporary use of land having no permanent effects on the environment, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article III Class 4(6) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Approval of the proposed Caltrans JRP will result in Caltrans paying the Harbor Department and POLB a one-time permit fee of \$20,200.

Area Leased in Sq. Feet	Value Per Sq. Foot	POLA/POLB Rental Rate at 10% Rate of Return	Estimated Required Min. Compensation Per Year	Total Required Compensation for 34 Months
1,534	\$25.00	\$2.50	\$3,835.00	\$10,865.83

Area Leased in Sq. Feet	Caltrans Offered Rental Rate (Rounded)	Caltrans Annual Compensation Offered	Caltrans Total Compensation Offered for 34 Months
1,534	\$4.65	\$7,129.40	\$20,200.00

The proposed compensation of \$20,200 was established by Caltrans' in-house appraisal and there was a mutual agreement between Harbor Department and POLB to accept the offer. The Harbor Department and POLB have 50 percent undivided interest in the property, therefore, the Harbor Department will receive 50 percent of the total proposed compensation which is \$10,100. Caltrans is financially responsible for the associated cost of painting of the SR-103 Bridge including insurance.

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STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the proposed joint revocable permit as to form and legality.


TRANSMITTALS:

1. Joint Revocable Permit No. 16-02



JACK C. HEDGE  
Director of Cargo & Industrial Real Estate

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



MICHAEL DiBERNARDO  
Deputy Executive Director

APPROVED:



EUGENE D. SEROKA  
Executive Director

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