



Executive Director's
Report to the
Board of Harbor Commissioners

DATE: NOVEMBER 14, 2023

FROM: WATERFRONT & COMMERCIAL REAL ESTATE

SUBJECT: RESOLUTION NO. _____ - APPROVE REVOCABLE LICENSE NO. 2023-11 WITH LOS ANGELES MARITIME INSTITUTE

SUMMARY:

Staff requests approval of Revocable License No. 2023-11 (License) with the Los Angeles Maritime Institute (LAMI) to allow temporary use of Berth 85 for the berthing and docking of brigantine vessels and to load and unload passengers on a non-exclusive first come basis as available. Berth 85 consists of 65,620 square feet of water and dock space. The proposed License is subject to cancellation by the City of Los Angeles Harbor Department (Harbor Department) or licensee upon 90 days' written notice.

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. Currently under Revocable Permit 2017-006, LAMI is using Downtown Harbor Cut Slips 1 and 2 for passenger sailing.

Given the significant benefits received by the Harbor Department from the services provided by LAMI, staff requests waiving the monthly compensation. LAMI will be financially responsible for all other costs, including but not limited to utilities, equipment, labor, Port Police security, site repair and maintenance.

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 administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article III, Class 1 (18)(b) of the Los Angeles City CEQA Guidelines;
2. Find that the proposed action is in the best interest of the City of Los Angeles Harbor Department based on the value of services delivered to the community, and the compensation that would be due and owed imposes an understandable hardship;
3. Approve Revocable License No. 2023-11 with Los Angeles Maritime Institute;

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4. Authorize the Executive Director to execute and the Board Secretary to attest to Revocable License No. 2023-11; and
5. Adopt Resolution No. _____.

DISCUSSION:

Background – LAMI 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. These programs have been in operation at the Port since 1992.

Given the benefits that LAMI provides through its free programs and operations, staff recommends waving compensation for this use.

Summary of Significant License Terms:

Effective Date – The month-to-month License (Transmittal 2) will be effective upon execution by the Executive Director and revocable upon 90 days' written notice.

Premises – The premises consists of 65,620 square feet of water and dock space at Berth 85. Tenant is responsible for site maintenance, insurance, and upkeep.

Compensation – Compensation will be waived due to the public benefits provided to local and regional communities from LAMI's operations.

Use – Premises will be used for the berthing and docking of brigantine vessels and to load and unload passengers on a non-exclusive first come basis, as available.

Other – LAMI will need to coordinate its sailing schedule and returns with other potential users of the premises. No advertising, scheduling, collection of money, or any other activities other than the loading and unloading of passengers and supplies are permitted. LAMI will provide a schedule of charters including passengers five business days before each intended use. The Director of Waterfront and Commercial Real Estate (Director) or designee reserves the right to deny LAMI's request to use premises upon 24 hours written notice to licensee. LAMI's vessels can use Berth 85 only to unload and load passengers and must return to each vessel's primary berthing location after each trip unless another charter is scheduled within four hours of loading. At other times, LAMI's vessels can only dock onsite for up to one hour prior to scheduled departure or one hour after arrival time. The Harbor Department will not be responsible for tenant's inability to load or unload passengers due to unavailability of premises.

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ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of Revocable License No. 2023-11 with the Los Angeles Maritime Institute to allow temporary use of Berth 85 on a non-exclusive, first-come basis, which is an administrative activity. 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(18)(b) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed Revocable License No. 2023-11 would result in no rent being paid to the Harbor Department for LAMI's use of 65,620 square feet of water and dock space at Berth 85. Effective January 1, 2023, the monthly rate per square foot for water area space assignments was \$0.13 per square foot per month as per Tariff No. 4, Section 810.

Based upon the proposed 65,620 square foot premises under Revocable License No. 2023-11, the Harbor Department would forego rent of \$8,531 per month using the applicable Tariff No. 4 rate for water-area space assignments if LAMI was able to exclusively use these premises over the course of an entire month. Given that LAMI will be using these premises on a non-exclusive basis and given the significant public benefits observed through LAMI's non-exclusive use, staff has determined that it is appropriate to obtain no compensation for use of this space under the proposed License.

CITY ATTORNEY:

Revocable License No. 2023-11 has been reviewed and approved as to form and legality by the Office of the City Attorney.

TRANSMITTALS:

1. Site Map
2. Revocable License No. 2023-11

FIS Approval: MB
CA Approval: SO

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

Michael DiBernardo
MICHAEL DIBERNARDO
Deputy Executive Director

APPROVED:

Marla Bleavins For
EUGENE D. SEROKA
Executive Director