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Executive Director

July 26, 2011

Ms. Michelle Andersen
Land Management Division
California State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202

Dear Ms. Andersen:

SUBJECT: REDEVELOPMENT OF WAREHOUSE NOS. 9 & 10

This letter is in response to your July 7, 2011, correspondence stating that the proposed reuse of Warehouse Nos. 9 & 10 into an artisan crafts marketplace is inconsistent with the Public Trust Doctrine. You conclude that the proposed redevelopment of these warehouses are for general commercial and retail uses and therefore inconsistent with the Trust.

The proposed artisan crafts marketplace proposed by the developer, Bergamot Station, Ltd. (Bergamot) is not a general commercial or retail use primarily serving the local community, but rather a visitor-serving development that will bring visitors to Southern California down to the waterfront. The developer, Bergamot, already operates a related facility in Santa Monica that is recognized both nationally and internationally. The developer anticipates the proposed development will generate an estimated 500,000 visitors annually, of which approximately 40 percent (200,000) will comprise state, national, and international visitors. Additionally, the developer anticipates 5-10 percent of the Port's 650,000 cruise passengers forecasted for 2012 will visit the artisan craft marketplace during their call at the Port of Los Angeles.

The proposed redevelopment of Warehouse Nos. 9 & 10 will be similar to both the Sawdust Festival in Laguna Beach and Bergamot Station in Santa Monica in drawing visitors from across the state and country. The Sawdust Festival is a similar benchmark activity for an artisan crafts marketplace and draws more than 200,000 visitors from across the country annually. Bergamot Station's draw of visitors from outside the local and regional area warrants informational and reference signage along the Santa Monica Freeway. These regional freeway signs would not be appropriate if the facility only drew visitors from its' surrounding community and the proposed artisan crafts marketplace is anticipated to require similar freeway signage.

Transmittal No. 3

The redevelopment of Warehouse Nos. 9 & 10 is part of the Port's overall strategy of developing the LA Waterfront into a significant visitor-serving destination bringing visitors from across the state, as well as national and international visitors to our waterfront, making the proposed development consistent with the Public Trust Doctrine.

We released a Request For Proposal for the adaptive reuse of the warehouses for visitor-serving uses. The Commission staff should note that consistency with the Trust was of paramount importance and two other proposers were eliminated from the process because their proposals (general office and big box retail) were inconsistent with the Trust. Bergamot was chosen not only because they met the Trust requirements but because the Port has and continues to install public art along the waterfront by internationally known artists. For example, Mark Dion has had major exhibitions at the New York Museum of Modern Art, Miami Art Museum and the Tate Gallery in London. The recent unveiling of Mark's twelve foot long ship in a bottle along with his selection to create a "ship chandlery" as a piece of public art has put the Port "on the map" in the art world. With the artisan craft marketplace development, we propose to market the LA Waterfront as a visitor destination for those who seek out art venues.

Sincerely,



GERALDINE KNATZ, Ph.D.
Executive Director

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