



**THE PORT
OF LOS ANGELES**

Executive Director's

Report to the

Board of Harbor Commissioners

DATE: FEBRUARY 28, 2018

FROM: CARGO & INDUSTRIAL REAL ESTATE

SUBJECT: RESOLUTION NO. _____ - APPROVE JOINT REVOCABLE PERMIT NO. 17-22 AMONG THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND PORT OF LONG BEACH AS JOINT-OWNERS AND DEDEAUX PROPERTIES, LLC

SUMMARY:

Staff requests approval of Joint Revocable Permit (JRP) No. 17-22 among the City of Los Angeles Harbor Department (Harbor Department) and the Port of Long Beach (POLB), as joint owners, and Dedeaux Properties, LLC, a California limited liability company (Dedeaux), to install, operate, and maintain water and electrical pipelines and security fencing on jointly-owned property in the Alameda Corridor (Vernon, CA).

Approval of the JRP will result in Dedeaux paying an aggregate annual rent of \$4,000, including an annual Consumer Price Index (CPI) escalator. Dedeaux will be responsible for the maintenance of the property.

RECOMMENDATION:

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

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 Article III, Class 3(5) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management;
2. Approve Joint Revocable Permit No. 17-22 among the City of Los Angeles Harbor Department, Port of Long Beach, and Dedeaux Properties, LLC;
3. Authorize the Executive Director to execute and the Board Secretary to attest to Joint Revocable Permit No.17-22; and
4. Adopt Resolution No. _____.

DISCUSSION:

Background – On December 22, 1994, the Harbor Department and POLB jointly purchased properties as part of the Alameda Corridor construction project. 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 SPRR ROW was acquired to serve as the main rail line for the Alameda Corridor. The UPRR ROW was acquired to serve as a possible alternative route within the corridor.

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The railroad properties purchased are held by the Harbor Department and POLB as tenants in common, with each holding an undivided fifty (50) percent interest in the property. In addition, the Harbor Department and POLB became 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.

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

Use: The JRP allows the use of the premises to install, operate, and maintain water and electrical pipelines and security fencing on Harbor Department and POLB property.

Premises: The premises are comprised of 390 square feet of electrical and water pipeline and 80 linear feet of security fencing, as depicted in Exhibit B of the permit (Transmittal 1).

Compensation: Dedeaux will pay \$4,000 to the Harbor Department and POLB for the use of the premises. The Harbor Department will receive fifty percent of the permit fee (\$2,000). Rent will be escalated annually by CPI.

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 be named as additional insureds under Dedeaux's insurance coverage, including environmental pollution insurance.

POLB is pursuing approval of the Dedeaux JRP by its Board of Harbor Commissioners.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of a Joint Revocable Permit for the installation, operation, and maintenance of water, electrical pipelines, and security fencing, which is an activity involving the issuance of a permit to use an existing facility involving negligible expansion of use and utility extensions of a reasonable length. Therefore, the Director of Environmental Management has determined that the proposed action is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article III, Class 1(14) and Article III, Class 3(5) of the Los Angeles City CEQA Guidelines.

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FINANCIAL IMPACT:

Approval of the proposed JRP will result in Dedeaux paying the Harbor Department and POLB annual permit fees in the sum of \$4,000.

	SF	\$/SF Value	Rental Rate @ 10% ROR	Annual Compensation	Minimum Annual Compensation
Electrical Pipeline	195	\$25.00	\$2.50	\$487.50	\$2,000
Water Pipeline	195	\$25.00	\$2.50	\$487.50	\$2,000
Security Fence	80	\$0.00	\$0.00	\$0.00	\$0
				Total	\$4,000

The Harbor Department and POLB each have an undivided fifty percent interest in the property. The Harbor Department will receive 50 percent of the total proposed annual compensation of \$2,000. There will be no annual fees for the security fence.

CITY ATTORNEY:

JRP No. 17-22 has been approved as to form and legality by the Office of the City Attorney.

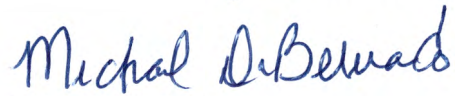
TRANSMITTAL:


- 1. Joint Revocable Permit No. 17-22

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

for

 JACK C. HEDGE
 Director of Cargo/Industrial Real Estate


 MICHAEL DIBERNARDO
 Deputy Executive Director

APPROVED:

 EUGENE D. SEROKA
 Executive Director