



**DATE: JANUARY 22, 2019**

**FROM: WATERFRONT & COMMERCIAL REAL ESTATE**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - PROPOSED TEMPORARY ENTRY AND USE PERMIT NO. 1715 WITH CIRQUE DU SOLEIL AMERICA, INC. FOR PREMISES AT BERTHS 88-89 AND LIBERTY PLAZA PARKING LOT**

**SUMMARY:**

Staff requests approval of Temporary Entry and Use Permit (TEUP) No. 1715 to Cirque Du Soleil America, Inc. (Cirque) to construct, operate, and maintain a temporary live entertainment facility for the show "Amaluna" at Berths 88-89, in front of the USS Iowa, from March 25 through June 7, 2019. "Amaluna" performances will run from April 25 through May 26, 2019. During weekends, Cirque staff will utilize Liberty Plaza Parking Lot for staff parking. Cruise passenger parking will not be impacted because cruise passengers will have parked and boarded cruise ships prior to the start of Cirque performances.

The proposed TEUP exceeds Executive Director authorization under the TEUP Policy and requires Board action because (1) the negotiated total TEUP fee of \$200,000 to be paid to the City of Los Angeles Harbor Department (Harbor Department) exceeds the \$150,000 authority delegated to the Executive Director and (2) the proposed TEUP duration of 75 days exceeds the 60-day threshold time frame in the current Board approved TEUP Policy.

**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(1) and Class 4(6) of the Los Angeles City CEQA Guidelines;
2. Approve Temporary Entry and Use Permit No. 1715 between the City of Los Angeles Harbor Department and Cirque Du Soleil America, Inc.;
3. Authorize the Executive Director to execute and the Board Secretary to attest to Temporary Entry and Use Permit No. 1715; and
4. Adopt Resolution No. \_\_\_\_\_.

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**DISCUSSION:**

Background – Cirque is recognized as one of the largest theatrical producers in the world, with shows in over 270 cities and every continent outside Antarctica. This is the second time Cirque has come to the LA Waterfront, having first performed at the Outer Harbor in Fall 2013. The theatrical show proposed is “Amaluna”, which is loosely inspired by William Shakespeare's The Tempest.

In 2016, pursuant to Resolution No. 17-8047 (Transmittal 1), the Board granted the Executive Director the authority to issue TEUPs that are valued at or below \$150,000 and for a fixed term not to exceed 60 days. TEUP No. 1715 to Cirque exceeds the above mentioned terms and therefore requires Board approval.

Terms and Conditions - The key terms and conditions of TEUP No. 1715 (Transmittal 2) are as follows:

Premises: Approximately 4.7 acres of land on Berths 88-89 located in front of the USS Iowa (Transmittal 3). Approximately one additional acre at the Liberty Plaza Parking Lot is also included for Cirque staff and occasional overflow parking.

Permitted Uses: For the construction, maintenance, and operation of a live entertainment facility and related ancillary activities.

Term: March 25 through June 7, 2019 including setup and tear down dates. Performances will be held from April 25 through May 26, 2019.

Compensation: Cirque will pay the Harbor Department a total of \$200,000; \$143,552 will be charged as compensation for the use of the land, with an additional \$56,448 charged for use of Port Police services. Land compensation was negotiated based on market value of \$35 per square foot.

Insurance: Cirque shall procure and maintain \$3,000,000 of general liability coverage, \$1,000,000 of auto liability coverage, and \$1,000,000 of liquor liability coverage throughout the duration of the TEUP.

Restoration: Cirque shall surrender possession of the premises to the Harbor Department and shall, without cost to the Harbor Department, remove any and all of its property, and restore the premises to the same or as good condition, ordinary wear and tear and damage from casualty excepted, as the same were in at the time of the first occupancy thereof by Cirque.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of TEUP 1715 with Cirque Du Soleil America to construct, operate, and maintain a temporary live entertainment facility at Berths 88-89 and the Liberty Plaza Parking Lot from March 25 to June 7, 2019, which includes exterior alterations involving minor construction and is a temporary use of land having no permanent effects on the environment.

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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(1) and Class 4(6) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Approval of the proposed TEUP would result in the Harbor Department committing 4.7 acres located at Berths 88-89 and occasionally one acre (overflow Cirque staff parking) at Liberty Plaza Parking Lot to Cirque for a 75-day period beginning March 25, 2019. Cirque will pay the Harbor Department rent for the premises during the term of the TEUP in the amount of \$143,552. An additional \$56,448 will be charged for the use of Port Police services. The financial impact of not approving the proposed TEUP would be for the Harbor Department to forgo \$143,552 in revenue. The proposed use of Berths 88-89 by Cirque will not displace any current or prospective tenants during the term of the TEUP. Cirque will provide its own security and emergency medical services (EMT, Fire Safety Officer) for the event. Additional costs for such services are not expected to be incurred by the Harbor Department.

**CITY ATTORNEY:**


TEUP No. 1715 has been reviewed and approved as to form and legality by the Office of the City Attorney.


**TRANSMITTALS:**

- 1. Resolution No. 17-8047
- 2. Temporary Entry and Use Permit No. 1715
- 3. Site Map

FIS Approval: MB  
 CA Approval: MB

  
 MICHAEL J. GALVIN  
 Director of Waterfront & Commercial Real Estate

  
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 Deputy Executive Director

APPROVED:  
  
 EUGENE D. SEROKA  
 Executive Director