



Executive Director's  
Report to the

Board of Harbor Commissioners

**DATE: MAY 4, 2021**

**FROM: WATERFRONT AND COMMERCIAL REAL ESTATE**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - APPROVAL OF FIVE-YEAR REVIEW  
OF REVOCABLE PERMIT NO. 1733 WITH O'DONNELL OIL COMPANY**

**SUMMARY:**

Staff requests approval of the continuation of Revocable Permit (RP) No. 1733 with O'Donnell Oil Company for property located at "C" Street and Fries Avenue, Wilmington, pursuant to the City of Los Angeles Harbor Department (Harbor Department) practice for five-year review by the Board of Harbor Commissioners (Board) for continuation or modification of RPs.

Approval of the proposed action will entitle the tenant to continue business operations on a month-to-month basis pursuant to an updated RP consistent with the 2011 Board approved RP template and reset compensation to market rent of \$4.50 per square foot annually, or \$1,642.50 annually with annual Consumer Price Index (CPI) increases.

**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) of the Los Angeles City CEQA Guidelines;
2. Approve the continuation of Revocable Permit No. 1733 with O'Donnell Oil Company; and
3. Adopt Resolution No. \_\_\_\_\_.

**DISCUSSION:**

Background – Harbor Department practice is for RPs to be subject to Board action in open session to continue or modify under the current entitlement every five years. This is the first five-year review for RP No. 1733, which is under the threshold of \$150,000 per year in Harbor Department revenue. Therefore, compensation resets and other modifications fall under Executive Director authority and do not require further Board action beyond this confirmation of review every five years.

**SUBJECT: CONTINUATION OF REVOCABLE PERMIT NO. 1733**

Under RP No. 1733, O'Donnell Oil Company parks compact tool trucks on 365 square feet of land at "C" Street and Fries Avenue in Wilmington. The effective date of the RP is February 8, 1988. The tenant is in good standing, with \$1,412.12 of rent paid to the Harbor Department in calendar year 2020. The last compensation reset was effective April 1, 2016. The current annual rent is \$3.87 per square foot of premises land area with annual CPI increases.

Staff requests approval to continue the tenancy under an RP due to its small parcel size and non-essential use. This action would result in neither use changes nor facility changes. Staff intends to update the permit consistent with the 2011 Board approved RP template and reset compensation for the permit to market rent of \$4.50 per square foot annually for premises land area, or \$1,642.50 annually with annual CPI increases. The proposed monthly rental amount represents an increase of 16.3 percent.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of the continuation of RP No. 1733 with O'Donnell Oil Company, which is an activity involving the issuance, renewal or amendment of any lease, license or permit to use an existing structure or facility involving negligible or no expansion of use. 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(14) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Approval of the proposed action will entitle the tenant to continue business operations on a month-to-month basis pursuant to an updated RP consistent with the 2011 Board approved RP template and reset compensation to market rent of \$4.50 per square foot annually, or \$1,642.50 annually.

Assuming a 2 percent CPI, staff anticipates that annual rent will increase by \$230.38 as follows:

Tenant	Entitlement	Annual Rent		
		CY 2020	Proposed	\$ Increase
O'Donnell Oil Company	RP 1733	\$1,412.12	\$1,642.50	\$230.38

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**CITY ATTORNEY:**

The Office of the City Attorney has reviewed the proposed action and finds no legal issues at this time.

FIS Approval: MB  
CA Approval: SO

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

*Michael DiBernardo*  
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Deputy Executive Director

APPROVED:

*Marla Bleavins* For

EUGENE D. SEROKA  
Executive Director

ES:MD:MG:MC:raw  
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BL883raw Five-Year RP Review O'Donnell