



**THE PORT  
OF LOS ANGELES**  
Executive Director's  
Report to the

Board of Harbor Commissioners

**DATE: FEBRUARY 27, 2019**

**FROM: ENVIRONMENTAL MANAGEMENT**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - PROPOSED REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND ALTASEA AT THE PORT OF LOS ANGELES FOR FUTURE ENVIRONMENTAL ANALYSES**

**SUMMARY:**

Staff requests the Board of Harbor Commissioners (Board) accept and approve a Reimbursement Agreement (Agreement) between AltaSea at the Port of Los Angeles (AltaSea) and the City of Los Angeles Harbor Department (Harbor Department) for future environmental analyses that may be required for the AltaSea project as described in the Amended and Restated Lease No. 904. The original AltaSea project was assessed through the City Dock No.1 Marine Research Center Project Final Environmental Impact Report (EIR) dated October 18, 2012. The Final EIR Addendum dated September 2013 and the Final EIR Addendum No. 2 dated February 2017 modified the proposed AltaSea project. The Harbor Department now seeks to enter into a new reimbursement agreement with AltaSea to compensate the Harbor Department for one hundred percent (100%) of costs for subsequent environmental analyses that may be required based on future project elements. AltaSea is financially responsible for these costs.

**RECOMMENDATION:**

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

1. Find that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Approve the proposed Reimbursement Agreement with AltaSea at the Port of Los Angeles to reimburse the Harbor Department for 100% of the costs incurred for environmental assistance;
3. Authorize the Executive Director to execute and the Board Secretary to attest to, said Agreement for and on behalf of the Board; and
4. Adopt Resolution No. \_\_\_\_\_.

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**SUBJECT: ALTASEA REIMBURSEMENT AGREEMENT**

**DISCUSSION:**

Project Background/Context – Subsequent to the submittal of the original Application for Port Permit (June 2014), AltaSea entered into a cost-share agreement with the Harbor Department. The original cost-share agreement was designed to reimburse expenses related to the environmental analyses necessary for the successful execution of the proposed modified project and miscellaneous other changes at the site. The original three-year cost-share agreement expired in February 2018. The reimbursement agreement was not immediately renewed because there were no project development requests pending.

AltaSea has now requested assistance from the Harbor Department on various waterside improvements as well as assistance with permitting through the United States Army Corps of Engineers (USACE) and the Regional Water Quality Control Board. The proposed reimbursement agreement with AltaSea includes a three-year term to coincide with expected environmental assessments that may be required based on development obligations in the Restated and Amended Lease No. 904.

The proposed Agreement will provide reimbursement to the Harbor Department for costs incurred to assess proposed project elements that may require both full National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA) analyses. The exact cost has not yet been determined because the scope of the various project elements are not finalized. Under the proposed Agreement, AltaSea will reimburse the Harbor Department for one hundred percent (100%) of all staff and consultant costs as well as other direct costs associated with the project, which is consistent with the terms of the Restated and Amended Lease No. 904.

Staff therefore recommends approval of the proposed Agreement with AltaSea for a three-year term requiring AltaSea to pay 100% of the environmental assessment and permitting related costs for the aforementioned environmental assessment activities.

**ENVIRONMENTAL ASSESSMENT:**

As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

Approval of the proposed Agreement will require AltaSea to reimburse the Harbor Department for 100% of all staff, USACE oversight, project fees and consultant costs to prepare the environmental document(s) of AltaSea's proposed modified project.

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SUBJECT: ALTASEA REIMBURSEMENT AGREEMENT

The environmental assessment work performed by the Harbor Department for this project will be paid out Capital Work Order 25318 – San Pedro Waterfront – B. 57 – AltaSea Environmental Assessment. Reimbursements from AltaSea will be recorded within non-operating Account 76085.

The Harbor Department will bill AltaSea on a monthly basis upon execution of the proposed Agreement.

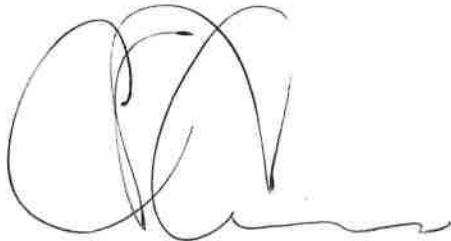
**CITY ATTORNEY:**

The Office of the City Attorney has reviewed and approved the Agreement as to form and legality.

**TRANSMITTAL:**

1. Reimbursement Agreement with AltaSea at the Port of Los Angeles

FIS Approval: MB  
CA Approval: JMK



CHRISTOPHER CANNON  
Director of Environmental Management

  
MICHAEL DiBERNARDO  
Deputy Executive Director

APPROVED:



EUGENE D. SEROKA  
Executive Director

CC/yo  
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