



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

Board of Harbor Commissioners

**DATE: APRIL 30, 2020**

**FROM: WATERFRONT & COMMERCIAL REAL ESTATE**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - APPROVE SECOND  
AMENDMENT TO PERMIT NO. 930 WITH THE JANKOVICH COMPANY**

**SUMMARY:**

Staff requests approval of the Second Amendment to Permit No. 930 with the Jankovich Company (Jankovich) for the use of City of Los Angeles Harbor Department (Harbor Department) property. The proposed Second Amendment will: 1) delete the Berth 51 barge premises from the Permit No. 930 premises, 2) grant Jankovich a Non-Exclusive Berthing Assignment to use Berth 73B for their barge operations, and 3) obligate Jankovich to maintain the roof of the Canetti's building. The Harbor Department will have the right to request Jankovich to vacate the Berth 73B premises at their cost with 180 days' written notice.

The deletion of the Berth 51 premises and granting Jankovich a Non-Exclusive Berthing Assignment to use Berth 73B will result in annual rent under Permit No. 930 decreasing by \$1,710.14 per year. However, this reduction in annual rent is anticipated to be partially offset by the cost savings (\$1,262.50 per year over 20-year period) the Harbor Department will receive in exchange for Jankovich agreeing to maintain the Canetti's building roof. Therefore, the Harbor Department does not anticipate any financial impact associated with the proposed Amendment.

**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 Class 1(18)(b) of the Los Angeles City CEQA Guidelines;
2. Approve the Second Amendment to the Permit No. 930 with The Jankovich Company;
3. Direct the Board Secretary to transmit the Second Amendment to the City Council for approval pursuant to Charter Sections 606;
4. Authorize the Executive Director to execute and the Board Secretary to attest to the Second Amendment upon approval by the City Council; and
5. Adopt Resolution No. \_\_\_\_\_.

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**DISCUSSION:**

Background - Jankovich currently has the right to occupy and use Harbor Department property located at Berth 51, Berth 73A, and the Canetti's building to operate a marine fueling station under Permit No. 930. Jankovich also has the right to operate at Berth 74 under Revocable Permit (RP) No. 12-11. Permit No. 930 was granted to allow Jankovich to move its operations from Berth 74 to Berth 73A due to the development of the San Pedro Public Market at the current Ports O' Call site. In December of 2019, Jankovich commenced full operations at Berth 73A and at the Canetti's building as the only marine fueling station in the Port of Los Angeles providing all types of marine fuels and lubricants to commercial, recreational, and fishing vessels, as well as bunker fueling services to larger vessels.

To increase the efficiency of operations, Jankovich requested that the Harbor Department authorize temporary berthing of five barges at Berth 73B (Transmittal 1). Staff has come to a tentative agreement to accommodate Jankovich's request and amend Permit No. 930 accordingly (Transmittal 2). Jankovich agreed to maintain the roof of the Canetti's building (owned by the Harbor Department) at their cost (estimated at a \$25,000 cost over the course of the potential 20 year term) in consideration of the Harbor Department increasing the Berth 73A premise to include Berth 73B and appropriate water area for berthing of barges. The Harbor Department will have the right to request Jankovich to relocate the Berth 73B premises at their cost with 180 days' written notice should the Harbor Department's use or needs change. The Berth 51 barge premise will be deleted from the Permit No. 930 premises.

The total annual rent will decrease by \$1,710.14, from \$290,401.89 to \$288,691.75. The total square footage of the premises decreases from 128,735 to 117,359 square feet. The additional premises at Berth 73B will be offset by removal of almost similar square footage at Berth 51. The 100 feet by 450 feet water area in front of Berth 73B will be entitled under Jankovich's Annual Non-Exclusive Berthing Assignment.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of a Second Amendment to Permit No. 930 between the Harbor Department and the Jankovich Company to allow barges to be docked at Berth 73B, instead of Berth 51, which is an activity involving an amendment to a permit granting use of an existing municipal wharf involving negligible use and/or alteration or modification of a municipal wharf or its operations beyond that previously permitted. 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) and Class 1(18)(b) of the Los Angeles City CEQA Guidelines.

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**FINANCIAL IMPACT:**

The proposed Second Amendment to Permit No. 930 will: 1) delete the Berth 51 barge premises from the Permit No. 930 premises, 2) grant Jankovich a Non-Exclusive Berthing Assignment to use Berth 73B for barge operations, and 3) obligate Jankovich to maintain the roof of the Canetti's building. The deletion of the Berth 51 premises and granting to Jankovich of a Non-Exclusive Berthing Assignment to use Berth 73B will result in annual rent under Permit No. 930 decreasing by \$1,710.14 per year, which is expected to be partially offset by Jankovich agreeing to maintain the Canetti's building roof at an annualized estimated cost of \$1,262.50 per year over 20-year period.

**CITY ATTORNEY:**

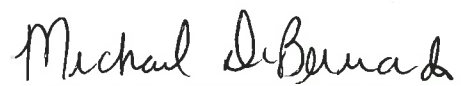
The Office of the City Attorney has reviewed and approved the Second Amendment to Permit No. 930 as to form and legality.

**TRANSMITTALS:**


1. Site Map
2. Second Amendment

FIS Approval: *MB*  
CA Approval: *MB*

  
MICHAEL J. GALVIN  
Director of Waterfront & Commercial Real Estate

  
MICHAEL DiBERNARDO  
Deputy Executive Director

APPROVED:

  
EUGENE D. SEROKA  
Executive Director

ES:MD:MG:HP:KK:raw  
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BL831raw Jankovich 2<sup>nd</sup> Amend