



THE PORT  
OF LOS ANGELES

Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: NOVEMBER 12, 2019**

**FROM: ENVIRONMENTAL MANAGEMENT**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - APPROVAL OF A REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND SAN PEDRO PUBLIC MARKET, LLC**

**SUMMARY:**

Staff requests approval of a proposed Reimbursement Agreement (Agreement) with San Pedro Public Market, LLC (SPPM) to reimburse the City of Los Angeles Harbor Department (Harbor Department) 100% of staff and consultant costs associated with the preparation of an environmental assessment to determine any changes in environmental impacts associated with the development of a concert venue at the San Pedro Public Market (proposed Project). The proposed Agreement is for a term of three-years with an estimated amount of \$375,000.

**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 administratively exempt from 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 Agreement with San Pedro Public Market, LLC to reimburse the City of Los Angeles Harbor Department for preparation costs of the environmental assessment associated with the development of a concert venue at the San Pedro Public Market for a contract term of three years and for an estimated amount of \$375,000;
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. \_\_\_\_\_.

**DATE: NOVEMBER 12, 2019**

**PAGE 2 OF 4**

**SUBJECT: REIMBURSEMENT AGREEMENT WITH SAN PEDRO PUBLIC MARKET, LLC**

**DISCUSSION:**

In September 2009, the Board approved the San Pedro Waterfront Project Final Environmental Impact Statement/Environmental Impact Report and considered the Addendum to the San Pedro Waterfront Project for the San Pedro Public Market Project in May 2016. The proposed addition of a concert venue will require additional environmental analysis.

The proposed Agreement will provide reimbursement to the Harbor Department for costs incurred to assess the proposed Project, which will require an environmental analysis. Under the proposed Agreement, SPPM will reimburse the Harbor Department for 100% of all staff and consultant costs as well as other direct costs associated with the proposed Project. The Harbor Department, as the CEQA lead agency, will be conducting the necessary environmental assessment activities and special studies to satisfy the requirements of CEQA. The total estimated cost to complete the environmental assessment for the proposed Project, including staff charges and consultant services, is approximately \$375,000. Actual costs may be higher or lower than this estimate. The Harbor Department Environmental Management Division has consulting agreements in place for as-needed CEQA environmental services and has selected ICF Jones & Stokes, Inc. as the lead consultant to perform the work in connection with the preparation of the environmental assessment.

Defense costs associated with the environmental review of the proposed Project are not included in this estimate due to the uncertainty of estimating the existence or nature of potential litigation costs.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of a proposed Agreement with SPPM to reimburse the Harbor Department for costs associated with the preparation of an environmental assessment, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively 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 SPPM to reimburse the Harbor Department for 100% of all staff and consultant costs of preparation of the environmental assessment for the proposed Project.

**DATE: NOVEMBER 12, 2019**

**PAGE 3 OF 4**

**SUBJECT: REIMBURSEMENT AGREEMENT WITH SAN PEDRO PUBLIC MARKET, LLC**

Funds for the current fiscal year are available in Account No. 11225, Center No. 7000, Program No. 000. The estimated expenditures and reimbursements by Fiscal Year are as follows:

| <b>Fiscal Year</b> | <b>Estimated Expenditures</b> | <b>Estimated Reimbursements</b> |
|--------------------|-------------------------------|---------------------------------|
| 19/20              | \$200,000                     | \$200,000                       |
| 20/21              | \$125,000                     | \$125,000                       |
| 21/22              | \$25,000                      | \$25,000                        |
| 22/23              | \$25,000                      | \$25,000                        |
| <b>TOTAL</b>       | <b>\$375,000</b>              | <b>\$375,000</b>                |

**CITY ATTORNEY:**

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

DATE: NOVEMBER 12, 2019

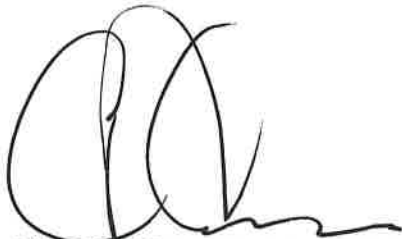
PAGE 4 OF 4

SUBJECT: REIMBURSEMENT AGREEMENT WITH SAN PEDRO PUBLIC MARKET, LLC

**TRANSMITTAL:**

1. Reimbursement Agreement with San Pedro Public Market, LLC

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



CHRISTOPHER CANNON  
Director of Environmental Management



ANTONIO V. GIOIELLO, P.E.  
Deputy Executive Director

APPROVED:



EUGENE D. SEROKA *Fol*  
Executive Director

CC/YO  
AUTHOR: NICOLE ENCISO

FILE: Y:\ADMIN\BOARD REPORTS\CEQA\SPPM REIMBURSEMENT\Environmental\_SPPM Reimbursement\_Board Report - FINAL.docx  
UPDATED: 11/12/2019 6:01 PM - YO