

**DATE: JUNE 1, 2022**

**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 AS-NEEDED ENVIRONMENTAL ANALYSES**

**SUMMARY:**

Staff requests approval of a proposed three-year Reimbursement Agreement (Agreement) between AltaSea at the Port of Los Angeles (AltaSea) and the City of Los Angeles Harbor Department (Harbor Department) for environmental analyses that may be required for the AltaSea project as described in the Amended and Restated Lease No. 904 (lease). 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 and amended through Addenda dated September 2013 and February 2017. As stipulated in the lease, AltaSea is financially responsible for Harbor Department environmental assessment costs at the AltaSea project. Therefore, the Harbor Department seeks to enter into a new three-year reimbursement agreement so that AltaSea can continue to compensate the Harbor Department for subsequent as-needed environmental analyses that may be required based on new or modified project elements.

**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 requirements of the California Environmental Quality Act (CEQA) under 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 City of Los Angeles 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. \_\_\_\_\_.

**SUBJECT: ALTASEA REIMBURSEMENT AGREEMENT**

**DISCUSSION:**

Project Background/Context – Subsequent to the submittal of its original Application for Port Permit (APP) in 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. The subsequent three-year cost-share agreement expired on March 26, 2022. AltaSea regularly submits APPs for potential landside and waterside modifications and improvements that may require environmental review in accordance with the National Environmental Policy Act (NEPA) and CEQA, including but not limited to Exemptions, Addenda, Negative/Mitigated Negative Declarations, and EIRs/Environmental Impact Statements.

The proposed three-year Agreement will provide reimbursement to the Harbor Department for costs incurred to assess proposed project elements. Additionally, this proposed Agreement provides a mechanism for the Harbor Department to be reimbursed for charges for United States Army Corps of Engineers (USACE) environmental review. The exact cost has not yet been determined because assessments would be performed on an as-needed basis. Under the proposed Agreement, AltaSea will reimburse the Harbor Department for 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 lease.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of an Agreement between AltaSea and the Harbor Department for environment analysis required for the AltaSea Project as described in the Lease, 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 three-year Agreement will require AltaSea to reimburse the Harbor Department for 100% of all staff time, USACE oversight, project fees and consultant costs for as needed environmental review or preparation of environmental documents for AltaSea's proposed projects.

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

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

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SUBJECT: ALTASEA REIMBURSEMENT AGREEMENT

**CITY ATTORNEY:**

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

**TRANSMITTAL:**

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

FIS Approval: MB  
CA Approval: SO



CHRISTOPHER CANNON  
Director of Environmental Management

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Deputy Executive Director

APPROVED:

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