



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

Board of Harbor Commissioners

**DATE: AUGUST 6, 2019**

**FROM: CARGO & INDUSTRIAL REAL ESTATE**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - APPROVAL OF JOINT REVOCABLE PERMIT NO. 19-01 BETWEEN AMERICAN INTEGRATED SERVICES, INC. AND THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND PORT OF LONG BEACH AS JOINT-OWNERS**

**SUMMARY:**

Staff requests approval of Joint Revocable Permit (JRP) No. 19-01 between American Integrated Services, Inc. (AIS) and the City of Los Angeles Harbor Department (Harbor Department) and the Port of Long Beach (POLB), as joint owners, for the maintenance and operation of a private roadway crossing, located southeast of Grant Street and Alameda Street in Wilmington.

The proposed JRP for the private roadway crossing is currently entitled under a Southern Pacific Railroad (SPR) license agreement with the previous owner of the property served by the crossing. Existing SPR licenses were all assigned to the ports. However, there is now a new owner/user for this crossing and the license agreement is not assignable. As such, this proposed JRP will replace the existing SPR license.

The initial rent payable under the proposed JRP will be \$10,862.50 per year with annual adjustments based upon the Consumer Price Index, All Urban Consumers, Los Angeles, All Items (CPI). Based upon the Harbor Department's 50 percent interest in the JRP, the Harbor Department would receive \$5,431.25 for the initial year.

**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 Section 15301 of the State CEQA Guidelines;
2. Approve Joint Revocable Permit No. 19-01 between American Integrated Services, Inc. and the City of Los Angeles Harbor Department and Port of Long Beach, as tenants in common;
3. Authorize the Executive Director to execute and the Board Secretary to attest to Joint Revocable Permit No.19-01; and
4. Adopt Resolution No. \_\_\_\_\_.

SUBJECT: APPROVAL OF JOINT REVOCABLE PERMIT NO. 19-01

**DISCUSSION:**

Background – On December 22, 1994, the Harbor Department and POLB jointly purchased properties as part of the Alameda Corridor construction project. The properties are located along the former SPR and Union Pacific Railroad (UPRR) right-of-way (ROW) in the County of Los Angeles. The railroad properties were purchased and held by the Harbor Department and POLB as tenants in common, with each holding an undivided 50 percent interest. In addition, the Harbor Department and POLB became successors-in-interest to all railroad agreements, leases, and licenses, related to the acquired railroad ROW.

This JRP is for a private crossing located immediately south of Grant Street and Alameda Street. The premises are within the joint ports property. Said crossing was previously entitled under an SPR license agreement with the previous owner and such license cannot be assigned to the new owner.

**JRP General Terms and Conditions:**

Use: Maintenance and operations of a private roadway crossing.

Premises: Southeast of Grant and Alameda Street at Mile Post 501.72 of the former SPRR San Pedro Branch, as shown on Exhibit B ( Transmittal 1).

Compensation: Annual, aggregate, initial compensation under the proposed JRP will be \$10,862.50 per year, adjusted annually by CPI. Based upon the Harbor Department's 50% ownership interest, the Harbor Department would initially receive the rent of \$5,431.25 under the proposed terms of the JRP, calculated as follows:

Description	SF	Land per SF	ROR	Rent
AIS Private Crossing	4,345	\$ 25.00	10%	\$ 10,862.50
Multiply by: Harbor Department Ownership Interest				50%
Equals: Harbor Department Rent Received				\$ 5,431.25

Term: The JRP (Transmittal 2) will be effective upon final execution by both the Harbor Department and POLB and revocable upon 60 days' written notice by any party.

Maintenance: Permittee, at its sole cost, shall keep and maintain the permit area during its use and occupancy thereof.

Insurance (Exhibit D): Consists of all standard insurance requirements.

Private Crossing Special Conditions: Includes standard terms for private railroad crossings.

SUBJECT: APPROVAL OF JOINT REVOCABLE PERMIT NO. 19-01

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of a proposed Joint Revocable Permit between American Integrated Services, Inc., POLA, and POLB, which is an activity involving the operation, repair, maintenance, permitting, leasing, licensing or minor alteration of existing facilities, 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 Section 15301 of the State CEQA Guidelines.

**FINANCIAL IMPACT:**

The Harbor Department's proportionate revenue share under the proposed JRP will result in \$5,431.25 in annual rent in the first year. Thereafter, annual rent will increase by CPI.

**CITY ATTORNEY:**

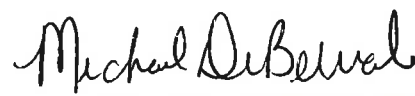
JRP No. 19-01 has been approved as to form and legality by the Office of the City Attorney.


**TRANSMITTALS:**

- 1. Site Map
- 2. Joint Revocable Permit No. 19-01

FIS Approval: 38  
 CA Approval: gpc

  
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APPROVED:  
  
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 Executive Director