



**THE PORT
OF LOS ANGELES**

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: MAY 20, 2020

FROM: CARGO & INDUSTRIAL REAL ESTATE

SUBJECT: RESOLUTION NO. _____ - APPROVE THE TRANSFER OF JURISDICTION AND CONTROL OF A PORTION OF REMNANT RAILROAD RIGHT-OF-WAY FROM THE CITY OF LOS ANGELES HARBOR DEPARTMENT TO THE GENERAL SERVICES DEPARTMENT

SUMMARY:

Staff is requesting the approval to transfer jurisdiction and control of a 7,217 square foot, City of Los Angeles Harbor Department (Harbor Department) property interest, currently residing within the Harbor District, located on Channel Street west of Pacific Avenue (Subject Property), to the General Services Department (GSD) of the City of Los Angeles (City). The Subject Property is a remnant portion of a rail right-of-way that is not developable for maritime purposes and lies outside of the safety clearance zone necessary for rail operations on the remaining rail right-of-way. As such, the Harbor Department is deeming it surplus under this action. The Subject Property will be transferred immediately upon City Council approval, where-is, as-is.

The Subject Property is currently occupied by a closed, non-permitted skate park. Taking action to transfer the jurisdiction and control of the Subject Property to GSD would enable the local Council District, through GSD, to realize its long-standing desire to open a skate park to the public.

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 generally and categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 1 and Article III Class 12 of the Los Angeles City CEQA Guidelines;
2. Find the Subject Property is surplus as it is no longer required for use by the City of Los Angeles Harbor Department and is not needed for maritime purposes;
3. Find that this transaction is in the public interest in that it will create public benefits, including, but not limited to providing a space for the City of Los Angeles to develop a public skate park;
4. Approve in substantial form the Notice Transfer of Jurisdiction and Control over the Subject Property from the City of Los Angeles Harbor Department to the General Services Department of the City of Los Angeles and direct the Board Secretary to transmit the Notice of Transfer of Jurisdiction and Control to the City Council pursuant to Charter Section 245;

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5. Approve the draft Order and direct the Board Secretary to transmit to City Council the Order approving and authorizing the transfer of jurisdiction and control of a certain remnant portion of railroad property interest (Subject Property) from the City of Los Angeles Harbor Department to the General Services Department;
6. Approve the draft Ordinance in substantial form and direct the Board Secretary to transmit the draft Ordinance to the City Council for approval;
7. Authorize the Executive Director to execute and the Board Secretary to attest to the Notice of Transfer of Jurisdiction and Control upon approval by City Council and execute any other documents and/or take any necessary actions to complete the transfer of the Subject Property; and
8. Adopt Resolution No. _____ and Order No. _____.

DISCUSSION:

Background – The Harbor Department and the Port of Long Beach jointly owned the Subject Property (Transmittal 1) and the rest of the railroad right-of-way for the purpose of operating a rail line from 1994 until January 2020. In January 2020, the Harbor Department acquired the Port of Long Beach’s interest, making the Harbor Department the 100 percent owner of the Subject Property interest.

Because of its location and access limitations, the Subject Property is undevelopable for maritime purposes, and, as such, has negligible value and utility. Further, it is not needed for port rail operations.

Currently, the Subject Property is partially improved with a non-permitted skate park built by the San Pedro Skatepark Association with whom the Harbor Department has no relationship or affiliation. The skate park has been closed since April 2014 due to a lack of appropriate permits and real estate entitlement. Due to Tidelands Trust restrictions, the Harbor Department is precluded from issuing a real estate entitlement for this use. Council District 15 insists on making this site available to the public for use as a skate park, and as such, in support of the Council District’s strong desire to make the site a public skate park, staff recommends the Harbor Department transfer the jurisdiction and control of the Subject Property to GSD which is able to appropriately control and oversee the Subject Property as a skate park. The remainder of the right-of-way outside of the skate park is required for Harbor Department operations and will remain under the jurisdiction of the Harbor Department.

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Material terms of the transfer instrument are as follows:

<u>Provisions</u>	<u>Description</u>
Instrument	Notice of Transfer of Jurisdiction and Control (Transmittal 2)
Rights to be Transferred	A remnant portion of a railroad right-of-way easement that lies outside of the safety clearance zone necessary for rail operations on the remaining rail right-of-way.
Subject to	Property use is subject to any covenants, conditions, restrictions (e.g. aerial freeway easement) and rights of way of record including but not limited to the right of the State of California to use said property for public highway purposes as granted by the document recorded on January 11, 1973 as instrument no. 475, in the Office of the County Recorder of Los Angeles County.
Property	7,217 square foot property interest as depicted on Transmittal No. 1.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval to transfer jurisdiction and control of a 7,217 square foot property on Channel Street from the Harbor Department to GSD, which is an action where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment and is a transfer of surplus government property that is not developable for maritime purposes. Therefore, the Director of Environmental Management has determined that the proposed action is generally and categorically exempt from the requirements of CEQA in accordance with Article II Section 1 and Article III Class 12 of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Because of its location and access limitations, the Harbor Department cannot market the Subject Property for any maritime-related purposes. As such, the Subject Property has a Nominal Rental Value as defined in Chapter 11 of the Caltrans Manual as \$2,400, or less per year. The cost of keeping the area clean and safe has been on average approximately \$18,150 per year, which exceeds the rental value of the Subject Property. The transfer of jurisdiction and control of the Subject Property to GSD will relieve the Harbor Department of the expenses it would otherwise incur absent the proposed transfer.

SUBJECT: APPROVE THE TRANSFER OF JURISDICTION AND CONTROL OF PORTIONS OF RAILROAD PROPERTY FROM THE HARBOR DEPARTMENT TO THE GENERAL SERVICES DEPARTMENT

CITY ATTORNEY:

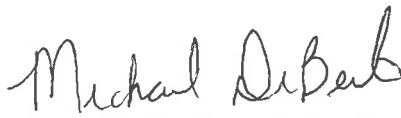
The Notice of Transfer of Jurisdiction and Control, Order (Transmittal 3), and Ordinance (Transmittal 4) have been reviewed and approved as to form by the Office of the City Attorney.

TRANSMITTALS:

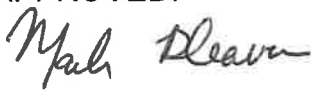
1. Site Map
2. Notice of Transfer of Jurisdiction and Control
3. Order
4. Ordinance

FIS Approval: MB
CA Approval: SD

for 
MARISA L. KATNICH
Director, Cargo & Industrial Real Estate


MICHAEL DIBERNARDO
Deputy Executive Director

APPROVED:

for  *for*
EUGENE D. SEROKA
Executive Director

ES:MD:MK:PA:DC:raw
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BL836raw Skate Park Transfer