



Executive Director's
Report to the
Board of Harbor Commissioners

DATE: FEBRUARY 10, 2021

FROM: WATERFRONT & COMMERCIAL REAL ESTATE

SUBJECT: RESOLUTION NO. _____ – APPROVE FOURTH AMENDMENT TO PERMIT NO. 624 WITH 22ND STREET LANDING PARTNERS, LLC

SUMMARY:

Staff requests approval of the Fourth Amendment to Permit No. 624 (P624) with 22nd Street Landing Partners, LLC (22nd Street Landing), a sport fishing landing and restaurant. P624 has a 30-year term that commenced on November 27, 1987, and will expire on November 26, 2026.

The proposed Fourth Amendment will include revisions to P624's tenant name and increase in its premises for additional staff parking spaces and outdoor dining area to comply with COVID-19 orders closing in-door dining.

22nd Street Landing filed an Amendment to Articles of Organization of a Limited Liability Company (LLC) with the California Secretary of State on November 25, 2019 changing its name from 22nd Street Landing Partners, LLC to 22nd Street Landing, LLC.

In addition to revising the name of the tenant, the Fourth Amendment will expand 22nd Street Landing's premises by 1,800 square feet for seven parking stalls and 968 square feet for an alfresco dining area. The additions to the premises should increase the restaurant's gross revenue and percentage rent generating capacity by providing additional outdoor dining space and a controlled parking lot.

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 4(8) of the Los Angeles City CEQA Guidelines.
2. Approve the Fourth Amendment to Permit No. 624 with 22nd Street Landing Partners, LLC;
3. Direct the Board Secretary to transmit the Fourth Amendment to Permit No. 624 to the City Council for approval pursuant to Section 606 of the City Charter;
4. Authorize the Executive Director to execute and the Board Secretary to attest to the Fourth Amendment to Permit No. 624 upon approval by the City Council; and
5. Adopt Resolution No. _____.

SUBJECT: FOURTH AMENDMENT TO PERMIT NO. 624

DISCUSSION:

Background – P624 grants 22nd Street Landing use of City of Los Angeles Harbor Department (Harbor Department) land consisting of approximately 57,319 square feet (s.f.) and water consisting of approximately 74,035 s.f. in San Pedro. The permitted uses include the construction, operation, and maintenance of structures and facilities for berthing of sport fishing and charter vessels, small boat rentals, passenger and cargo transportation and water taxi, restaurant and lounge, seafood market and snack bar, fishing vessel brokerage and insurance sales, and for purposes incidental thereto. All improvements are owned and maintained by 22nd Street Landing.

Proposed Fourth Amendment

The proposed Fourth Amendment (Transmittal 1) will change the name of the tenant. The tenant filed an Amendment to Articles of Organization of a Limited Liability Company (LLC) with the California Secretary of State on November 25, 2019 changing its name from 22nd Street Landing Partners, LLC to 22nd Street Landing, LLC.

The Fourth Amendment will also expand 22nd Street Landing's premises by 1,800 s.f. for seven parking stalls and 968 s.f. for an alfresco dining area (Transmittal 2, Parcel No. G6 and G7 respectively).

This premises expansion encompasses seven parking stalls on the east side of the current premises to be used as reserved staff parking for employees of the sport fishing shop and the restaurant. The addition of these parking spaces will assist with controlling unauthorized parking in the restaurant parking lot on the west side of the premises, which should improve patronage to the restaurant, gross revenue and related percentage rent to the Harbor Department. 22nd Street Landing will manage and maintain all components of the reserved parking spots.

Due to the COVID-19 pandemic, 22nd Street Landing has had to temporarily close their inside dining room and operate only for takeout and outside dining. The restaurant continues experiencing a financial hardship with these limited operations, as their current patio has a limited capacity of nine tables. 22nd Street Landing has a strong customer demand, which they have been unable to meet due to a lack of available outside space. The addition of 968 s.f. to the premises will allow 22nd Street Landing to expand their outdoor patio by a minimum of seven tables, which will assist in meeting the increase in customer demand for outside dining, aid in reducing financial losses by increasing gross revenue and related percentage rent to the Harbor Department.

Summary of Significant Amendment Terms:

Provisions	Description
Premises	<ul style="list-style-type: none"> • Addition of 1,800 s.f. of land area shown as Parcel No. G6 in Drawing 2-2450 • Addition of 968 s.f. of land area shown as Parcel No. G7 in Drawing 2-2450
Exhibits	<ul style="list-style-type: none"> • Drawing No. 2-2450 replaces permit's Exhibit A and all other previous sketches to this Permit

SUBJECT: FOURTH AMENDMENT TO PERMIT NO. 624

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of the Fourth Amendment to P624 change the tenant's name and add approximately 2,768 sf to the permitted use area, which is an activity involving the amendment of any lease, license, or permit to use an existing structure or facility involving negligible expansion of use and the amendment of any lease, license or permit which allows for a minor increase in leased acreage. 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 4(8) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed Fourth Amendment would change the name of the tenant under P624 and add a total of 2,768 square feet to the premises covered under P624. The additional 2,768 square feet currently generates no revenue to the Harbor Department, and its proposed inclusion should increase the tenant's revenue generating capacity as well as its related percentage rent to the Harbor Department. Based upon staff's review of the Amendment to the Articles of Organization, the tenant's name change appears to be administrative in nature and is not anticipated to have a financial impact on the Harbor Department.

CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the Fourth Amendment to Permit No. 624 as to form and legality.

TRANSMITTALS:

1. Fourth Amendment
2. Premises Map

FIS Approval: MB
CA Approval: SO

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