



Executive Director's
Report to the
Board of Harbor Commissioners

DATE: OCTOBER 3, 2017

FROM: WATERFRONT & COMMERCIAL REAL ESTATE

SUBJECT: RESOLUTION NO. _____ - APPROVE SUCCESSOR REVOCABLE PERMIT NO. 17-11 WITH ARCHDIOCESE OF LOS ANGELES EDUCATION & WELFARE CORPORATION, INC.

SUMMARY:

Staff requests approval of successor Revocable Permit No. 17-11 (RP 17-11) between the City of Los Angeles Harbor Department and the Archdiocese of Los Angeles Education & Welfare Corporation, Inc. (Mary Star) for the use of office space at the World Cruise Center (Cruise Center) on a month to month basis at a reduced rent. Mary Star provides a recreational facility, counseling, and non-denominational ministry and religious services to crew members of cruise ships calling at the Port of Los Angeles.

The proposed compensation of \$1,012 per month reflects an ongoing rent reduction in recognition of the free services Mary Star provides and is the financial responsibility of the tenant. Rent will be subject to annual Consumer Price Index (CPI) escalations.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the proposed action is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under Article III Section 1(14) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management;
2. Approve Revocable Permit No. 17-11 with Archdiocese of Los Angeles Education & Welfare Corporation, Inc.;
3. Authorize the Executive Director to execute and the Board Secretary to attest to Revocable Permit No. 17-11; and
4. Adopt Resolution No. _____.

SUBJECT: PROPOSED REVOCABLE PERMIT NO. 17-11 WITH ARCHDIOCESE OF LOS ANGELES EDUCATION & WELFARE CORPORATION, INC.

DISCUSSION:

Background – Mary Star has been serving the San Pedro community since the 1930s. The services Mary Star has been providing at the Cruise Center since 1994 are provided at no cost to the seafarers from visiting cruise ships, regardless of their faith or background. The services they provide include conducting seafarer’s counseling, as well as creating a recreational and non-denominational ministry center with religious services. Occasionally, Mary Star conducts fundraising activities in support of the center.

Under the current RP 94-10, Mary Star occupies CL 101, measuring 933 square feet of space on the cargo level at a monthly rent of \$550.00. CL 101 has no natural light. Under proposed RP 17-11 (Transmittal 1), Mary Star will occupy 1,636 s.f. which will provide a better environment for its users. Mary Star is requesting to move to PML 109, a larger office with natural light, and located at the passenger mezzanine level which has access to service facilities (Transmittals 2 and 3). Mary Star will pay \$1,012 per month, which is a 50 percent reduction based on an annual rental rate of \$12.50 per s.f.

Mary Star is a tenant in good standing, in compliance with the requirements of proposed RP 17-11, and possessing current permits as required by regulatory agencies. The proposed RP will not result in any changes to the standard terms and conditions.

The Harbor Department recommends a continuation of the 50 percent rent reduction of market rent in recognition of the services provided free of charge to the seafaring community.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of a Successor Revocable Permit with Mary Star, which is an activity involving the issuance of a permit to use an existing facility involving negligible or no expansion of use. As such, 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) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Current monthly compensation is \$550 for 933 s.f. of space. Monthly compensation for RP 17-11 will be for \$1,012 for 1,636 s.f., annually adjusted by CPI with a floor of zero and no cap.

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CITY ATTORNEY:

RP 17-11 has been approved as to form and legality by the Office of the City Attorney.


TRANSMITTALS:

1. Revocable Permit No. 17-11
2. Site Map
3. Permit Premises Map



MICHAEL J. GALVIN
Director of Waterfront & Commercial Real Estate

FIS Approval: *MR* (initials)
CA Approval: *MB* (initials)



MICHAEL DiBERNARDO
Deputy Executive Director

APPROVED:



EUGENE D. SEROKA *FOR*
Executive Director

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