

CITY OF LOS ANGELES
CALIFORNIA

JUNE LAGMAY
City Clerk

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Executive Officer

When making inquiries relative to
this matter, please refer to the
Council File No.



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Division

www.cityclerk.lacity.org

September 26, 2012

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council File No. 12-1371,
at its meeting held September 25, 2012.

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File No. 12-1371

TO THE COUNCIL OF THE
CITY OF LOS ANGELES

Your **TRADE, COMMERCE, AND TOURISM** Committee

reports as follows:

CATEGORICAL EXEMPTION and TRADE, COMMERCE, AND TOURISM COMMITTEE REPORT relative to proposed First Amendment to Foreign Trade Zone General Purpose Operating Agreement No. 2606 with Nippon Express U.S.A., Inc. FTZ 202, Site 7B.

Recommendations for Council action:

1. ADOPT the determination by the Los Angeles Harbor Department that the proposed action is exempt under the California Environmental Quality Act (CEQA) as provided in Article III, Section 1(14) of the Los Angeles City CEQA Guidelines.
2. APPROVE the First Amendment to Foreign-Trade Zone General Purpose Operating Agreement No. 2606 with Nippon Express U.S.A., Inc.

Fiscal Impact Statement: The City Administrative Officer reports that there will be no additional cost, fees or reduction of compensation to the Los Angeles Harbor Department (Port) authorizing the proposed First Amendment to Foreign Trade Zone (FTZ) Operating Agreement with Nippon Express U.S.A., Inc., in FTZ Site No. 7B. The Port has received \$25,000 from the initial five-year contract term. Compensation from the FTZ fees will remain in the amount of \$5,000 each year during each of the three remaining five-year contract terms, for a total compensation of \$100,000, over the contract period of 20 years. There will be no impact on the City General Fund. Funds will be deposited in the Harbor Revenue Fund.

Community Impact Statement: None submitted.

TIME LIMIT FILE – OCTOBER 26, 2012

(LAST DAY FOR COUNCIL ACTION – OCTOBER 26, 2012)

SUMMARY

At a regular meeting held on September 10, 2012, your Trade, Commerce and Tourism Committee considered a Port transmittal relative to the proposed First Amendment to FTZ Operating Agreement (Agreement) No. 2606 with Nippon Express U.S.A., Inc., at FTZ Site No. 7B in the city of Torrance. In August 2007, the Board of Harbor Commissioners (Board) approved the original FTZ Agreement with Nippon Express for a term of five years, with three subsequent, five-year renewal options, for a contract term up to a total of 20 years, subject to approval by the Board, Mayor and Council. The initial five-year contract term will expire in July 2012. The Port states that any changes made to the original Agreement require a contract amendment. The proposed First Amendment will extend the Agreement by an additional five years, to July 2017, with two five-year renewal options remaining on the existing contract, and maintain the existing terms and conditions, except as amended. Board approval is required to exercise any renewal options and changes to the contract.

An opportunity for public comment was held. After a brief discussion, the Committee moved to approve the recommendations contained in the transmittal.

This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

TRADE, COMMERCE, AND TOURISM COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
LABONGE:	YES
ROSENDAHL:	ABSENT
BUSCAINO:	YES

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ADOPTED

SEP 25 2012

LOS ANGELES CITY COUNCIL

FORTHWITH

Not Official Until Council Acts