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January 29, 2020

Honorable Members of the City Council of the City of Los Angeles

CD No. 15

Attention: Mr. John White, City Clerk's Office

Subject: RESOLUTION NO. 19-9559 – PROPOSED APPROVAL OF THIRD AMENDMENT FOREIGN-TRADE ZONE GENERAL PURPOSE OPERATING AGREEMENT NO. 19-2346-C BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND CITIZEN WATCH COMPANY OF AMERICA, INC. FTZ 202 SITE 7D

Pursuant to Section 373 of the City Charter and Section 10.5 of the Los Angeles Administrative Code, enclosed for your approval is Resolution No. 19-9559 authorizing proposed Third Amendment Agreement No. 19-2346-C between the City of Los Angeles Harbor Department (Harbor Department) and Citizen Watch Company of America, Inc. (Citizen); which was approved at the November 21, 2019 meeting of the Board of Harbor Commissioners. The proposed Third Amendment will allow Citizen to continue operating its facility within FTZ 202, Site 7D, located at 1000 West 190th Street, Torrance, CA 90502. Citizen's current FTZ Operating Agreement No. 14-2346-B will expire on January 4, 2020. The term of the agreement is five years with three, five-year renewal options. Citizen requests to continue operating its warehouse as an FTZ warehouse and exercise its third renewal option. The Harbor Department needs to execute the Third Amendment to extend the Agreement, as required by the FTZ Board. Site 7D consists of 129,934 square feet of warehouse and office space on 5.69 acres located approximately six miles north of the Port of Los Angeles. Citizen will operate its warehouse under FTZ procedures as a single-usage site. If the proposed amendment is approved, the Harbor Department will receive \$10,000 annually from Citizen. There is no impact to the General Fund.

RECOMMENDATION FOR CITY COUNCIL:

- 1. ADOPT the determination by the Board of Harbor Commissioners that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines;
2. APPROVE Harbor Department Resolution No. 19-9559 authorizing proposed Third Amendment Agreement No. 19-2346-C between the City of Los Angeles Harbor Department and Citizen Watch Company of America, Inc.; and
3. Return to the Board of Harbor Commissioners for further processing.

Respectfully Submitted,

[Handwritten signature]
AMBER M. KLESGES
Commission Secretary

cc: Trade, Travel & Tourism Committee
Councilman Buscaino
Councilman Bonin
Councilman Krekorian
Heleen Ramirez, Mayor's Office

Erick Martell, Harbor Representative
Janice Chang Yu, CAO
Dennis Gleason, CD15
Matthew Shade, CLA