

CATEGORICAL EXEMPTION and TRADE, COMMERCE, AND TOURISM COMMITTEE REPORT relative to the proposed second amendment to the Foreign-Trade Zone (FTZ) agreement with Industrial Developments International, Inc. (IDI) for FTZ 202, Site 20.

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 second amendment to FTZ Developer Agreement No. 2369 between the City of Los Angeles Harbor Department and IDI.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that the proposed second amendment to FTZ Developer Agreement No. 2369 with IDI, FTZ No. 202, Site No. 20, is to continue the FTZ Developer site for an additional five-year term and approve the name change from IDI, Inc., to IDI, LLC, located in the City of Jurupa Valley (formerly the City of Mira Loma), California. IDI has paid an initial fee of \$2,500 to the Harbor Department, a one-time activation fee of \$5,000 and an administrative fee of \$7,750 per year for a total of \$38,750 for each five-year term and a maximum of \$160,000 over the proposed 20-year life of the agreement. Approval of the agreement provides tax and operating benefits to IDI and economic development in the region. There will be no additional payment to the Harbor Department and will have no impact on the City General Funds. Any funds will be deposited in the Harbor Revenue Fund.

Community Impact Statement: None submitted.

TIME LIMIT FILE – MAY 10, 2015

(LAST DAY FOR COUNCIL ACTION – MAY 8, 2015)

SUMMARY

At a special meeting held on March 24, 2015, your Trade, Commerce and Tourism Committee considered a Harbor Department transmittal relative to proposed second amendment to the FTZ Developer Agreement No. 2369 with IDI, FTZ No. 202, Site No. 20, located in the former City of Mira Loma (which is now the City of Jurupa Valley), California, approximately 60 miles from the Port of Los Angeles. The CAO reports that IDI is a real estate investment firm whose principal address is located in Foothill Ranch, California. The proposed amendment will extend the term of the agreement for an additional five-year term and reflect a company name change. The original agreement with IDI was approved for an initial contract term of five years, from March 2005 to February 2010, with renewal options for three subsequent five-year terms, for a total contract term up to 20 years. In July 2011, sections of the City of Mira Loma became part of the newly incorporated City of Jurupa Valley, California. The FTZ site location for IDI has been changed to the City of Jurupa Valley. According to the Harbor Department, the first amendment was approved to extend the FTZ contract term from 2010 to 2015.

The proposed second amendment requests approval to extend the contract term for an additional five years, from March 2015 to February 2020, and to change the company name from IDI, Incorporation (Inc.), to IDI, Limited Liability Company (LLC). Any change made to the original agreement requires the execution of an amendment.

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

A handwritten signature in blue ink, appearing to be 'Dan Labonge', is written over the committee name.

<u>MEMBER</u>	<u>VOTE</u>
LABONGE:	YES
BUSCAINO:	YES
BONIN:	YES

ME

-NOT OFFICIAL UNTIL COUNCIL ACTS-