

CATEGORICAL EXEMPTION and TRADE, TRAVEL, AND TOURISM COMMITTEE REPORT relative to the First Amendment to the Port of Los Angeles (POLA) Permit with the Jankovich Company (Jankovich) to continue operating a marine fuel station.

Recommendations for Council action:

1. **ADOPT** the determination by the Board of Harbor Commissioners that the proposed action is categorically exempt under the California Environmental Quality Act (CEQA) in accordance with Article III, Class 1(14) of the Los Angeles City CEQA Guidelines.
2. **APPROVE** POLA Resolution No. 19-8441 for the First Amendment to POLA Permit No. 930 with Jankovich to continue operating its marine fuel station at Berth Nos. 73A and 51 and the Canetti's Building for an additional year at no additional rent until November 2019.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that approving the First Amendment to POLA Permit No. 930 with Jankovich will require Jankovich to pay monthly rent, percentage of rent, and monthly dockage charges subsequent to November 5, 2019. In 2017, the POLA required Jankovich to relocate its operations to another site at the port. The proposed amendment will allow Jankovich to forego \$290,402 in annual minimum rent payments for one year, retroactively from November 2018 to November 2019 to obtain the required permits and complete construction and improvements at the relocated site.

Community Impact Statement: None submitted.

TIME LIMIT FILE – JUNE 10, 2019

(LAST DAY FOR COUNCIL ACTION - JUNE 7, 2019)

SUMMARY

In a report to the Mayor dated May 7, 2019, the CAO states POLA requests approval of the proposed First Amendment to POLA Permit No. 930 with Jankovich. The POLA Permit facilitate Jankovich's its required relocation to another site at the port to operate its marine fueling station at Berth 74. As part of the relocation, POLA initially granted Jankovich time to obtain all of the required permits and to complete the construction and improvements contained in the Permit. According to POLA, Jankovich was unable to obtain the required permits in one year period to complete their construction projects. The proposed amendment grants Jankovich an additional year of retroactive approval, from November 2018 to November 2019, to obtain the required permits and complete improvements on POLA property at Berths 73A, Berth 51 and the Canetti's Building. The approval will include foregoing \$290,402 in annual monthly rental payments during this time. POLA believes that requiring Jankovich to pay rent at non-operating Berth 73A would be an undue burden in light of the required relocation.

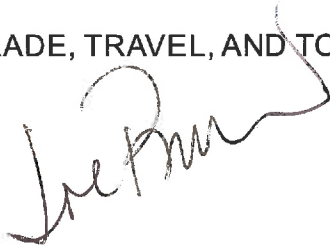
The CAO goes on to report that Jankovich operates a fueling station at Berth 74. Jankovich will continue to pay monthly minimum rent and a percentage of gross receipts. In 2018, Jankovich paid a total of \$298,000 for land rent, dockage charges (for vessel tied up at a wharf), and gross receipts pursuant to its agreement. On March 7, 2019, the Board of Harbor Commissioners

approved POLA's request. The CAO concurs with this action.

At its meeting held May 21, 2019, the Trade, Travel, and Tourism Committee recommended that Council approve the First Amendment to the POLA Permit with Jankovich as discussed above, as recommended by the Board of Harbor Commissioners and the CAO.

Respectfully Submitted,

TRADE, TRAVEL, AND TOURISM COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
BUSCAINO:	YES
BONIN:	YES
KREKORIAN:	ABSENT

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-NOT OFFICIAL UNTIL COUNCIL ACTS-