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Executive Director

January 23, 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. 19-9519 – PROPOSED APPROVAL OF FOREIGN-TRADE ZONE GENERAL PURPOSE OPERATING AGREEMENT NO. 19-3670 BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND MORRISON EXPRESS CORPORATION (U.S.A.) FTZ 202, SITE 59

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. 19-9519 authorizing proposed Agreement No. 19-3670 between the City of Los Angeles Harbor Department (Harbor Department) and Morrison Express Corporation (U.S.A) (Morrison); which was approved at the August 22, 2019 meeting of the Board of Harbor Commissioners. Proposed Agreement No. 19-3670 will allow Morrison to operate its facility within FTZ 202, Site 59, located at 2000 South Hughes Way, El Segundo, California 90245. Morrison is applying to the FTZ Board to designate this site as an FTZ warehouse under the alternative site framework as usage-driven Site 59. The Harbor Department, as the FTZ grantee, establishes Operating Agreements with FTZ site operators to oversee their FTZ operations. Site 59 is a warehouse and office building totaling approximately 0.67 acres located approximately 17 miles from the Port of Los Angeles. Morrison will operate its facility under FTZ procedures as a multi-usage site. The proposed Agreement is for a term of five years with three, five year renewal options. If the proposed Agreement is approved, the Harbor Department will receive \$7,750 annually from Morrison. There is no impact to the General Fund.

RECOMMENDATION FOR CITY COUNCIL:

1. ADOPT the determination by the Board of Harbor Commissioners (Board) 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. 19-9519 authorizing proposed Agreement No. 19-3670 between the City of Los Angeles Harbor Department and Morrison Express Corporation (U.S.A); and
3. Return to the Board of Harbor Commissioners for further processing.

Respectfully Submitted,

  
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