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Executive Director

February 13, 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. 19-9541 – PROPOSED APPROVAL OF PERMIT NO. 933 WITH COUNTY
SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY

Pursuant to Section 606 of the City Charter, enclosed for your approval is Resolution No. 19-9541 authorizing proposed Permit No. 933 with County Sanitation District No. 2 of Los Angeles County; which was approved at the October 3, 2019 meeting of the Board of Harbor Commissioners. The proposed Permit No. 933 will replace Permit No. 120 and Order No. 3061. County Sanitation currently operates a sewage force main system located across the Classification Yard northerly of Pacific Coast Highway under Permit No. 120 and a sewer trunk line and pumping plant under Order No. 3061 that serves San Pedro and neighboring communities. Permit No. 120 and Order No. 3061 are currently on holdover pending renewal. The proposed replacement Permit is for a term of 30 years and grants County Sanitation the right to use City of Los Angeles Harbor Department property consisting of a total of 23,358 square feet (S.F.), comprising of 10,500 S.F. of surface land and 12,858 S.F. of subsurface land. Annual revenue under the proposed Permit will be \$67,716 per year based on a land value of \$40 per square foot, with a 10 percent rate of return on land and a 50 percent discount for subsurface rights. The proposed rent represents an annual increase of \$53,209 or 367 percent relative to current rent of \$14,506.80 per year paid under Permit No. 120 and Order No. 3061. Rent will be adjusted annually by the Consumer Price Index, with a floor of zero and no maximum. 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 categorically and statutorily exempt from the requirements of the California Environmental Quality Act (CEQA) under Article III, Class 1(14) of the Los Angeles City CEQA Guidelines and State CEQA Guidelines 14 Cal. Code Section 15261(a);
2. APPROVE Harbor Department Resolution No. 19-9541 authorizing proposed Permit No. 933 with County Sanitation District No. 2 of Los Angeles County; 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