

RECOMMENDATION APPROVED;
RESOLUTION 24-10325 (PERMIT 899) ADOPTED
BY THE BOARD OF HARBOR COMMISSIONERS

March 15, 2024
AM KLESGES
AMBER M. KLESGES
Board Secretary



DATE: FEBRUARY 28, 2024

FROM: WATERFRONT & COMMERCIAL REAL ESTATE

SUBJECT: RESOLUTION NO. 24-10325 - APPROVE FOURTH AMENDMENT
TO PERMIT NO. 899 WITH PACIFIC BATTLESHIP CENTER

SUMMARY:

Staff requests approval of a Fourth Amendment to Permit No. 899 (P899) with Pacific Battleship Center (Pacific Battleship), a museum and educational facility commonly referred to as the USS Iowa (Iowa). If approved, the proposed Amendment will extend the expiration date of P899 by 30 years from May 24, 2027, currently to May 24, 2057, as proposed. Based upon an effective date of May 25, 2012, approval of the proposed Amendment would result in an aggregate term of forty-five (45) years under P899. Extension options would no longer be included as part of the proposed Amendment, and all other material terms of P899 would remain unchanged.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under Article III Class 1(14) of the Los Angeles City CEQA Guidelines;
2. Approve the Fourth Amendment to Permit No. 899 with Pacific Battleship Center;
3. Direct the Board Secretary to transmit the Fourth Amendment to Permit No. 899 to the City Council for approval pursuant to Section 606 of the City Charter;
4. Authorize the Executive Director to execute and the Board Secretary to attest to the Fourth Amendment for Permit No. 899 upon approval by the City Council; and
5. Adopt Resolution No. 24-10325.

DISCUSSION:

Background - P899 between the City of Los Angeles Harbor Department (Harbor Department) and Pacific Battleship grants use of approximately 4.43 acres of property at Berths 88-89 for the berthing, maintenance, and operation of the Iowa as a museum and educational facility; venue for maritime and military-related events; special events that

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promote the LA Waterfront; sleepover programs; filming; special events with prior Harbor Department approval; and storage of associated equipment, material, and supplies.

Pacific Battleship has received an appropriation from the State of California from the General Fund for a \$6.7 million grant through the State of California Department of Natural Resources towards the construction of the Freedom of the Seas Park and Pavilion. Freedom of the Seas Park and Pavilion is designed to fulfill the community demand for a veterans-orientated park and community space on the San Pedro Waterfront. The proposed 2/3-acre project includes a 35,000 square foot public access veterans-orientated park and a 5,000 square foot multi-purpose community and education center. Freedom of the Seas Park and Pavilion would be located at Berth 88-89 and would allow the public to access the waterfront and the Iowa through a park setting. Additionally, Freedom of the Seas Park and Pavilion has the potential to align with the Harbor Department’s vision for redevelopment of the Harbor Boulevard corridor to a more public facing and pedestrian friendly area, developed with community-based planning, that offers employment or volunteer opportunities (veteran engagement) and funding partners, addresses a critical lack of park space, and serves an area of poverty.

Pacific Battleship recently received clarification from the State of California Department of Natural Resources that the grant requires that Pacific Battleship has a permit with at least a 30-year term.

Proposed Fourth Amendment (Transmittal 1):

The proposed Fourth Amendment will extend the total term of P899 to forty-five (45) years with a new proposed permit expiration date of May 24, 2057. The Fourth Amendment will include:

Summary of Significant Terms:

Provision	Description
Term	<ul style="list-style-type: none"> • 45 Years Total.
Extension Option	<ul style="list-style-type: none"> • Removed entirely and shall no longer have any force of effect.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of the Fourth Amendment to P899 with Pacific Battleship Center, which is an activity involving the issuance, renewal or amendment of any lease, license or permit to use an existing structure or facility involving negligible or no expansion of use. Therefore, the Director of Environmental Management has determined that the proposed action is categorically exempt from the requirements of CEQA in accordance with Article III Class 1(14) of the Los Angeles City CEQA Guidelines.

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FINANCIAL IMPACT:

Approval of the proposed Fourth Amendment will extend the term of P899 by thirty years from May 24, 2027, currently to May 24, 2057, as proposed. Compensation provisions under P899 will remain unchanged. Pacific Battleship currently pays the greater of four percent of gross receipts or minimum rent of \$9,815 per month, subject to increases based upon the annual change in the Consumer Price Index.

CITY ATTORNEY:

The Office of the City Attorney has prepared and approved the proposed Fourth Amendment as to form and legality.

TRANSMITTALS:

1. Fourth Amendment
2. Site Map

FIS Approval: MB
CA Approval: D

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Director of Waterfront & Commercial Real Estate

Michael DiBernardo
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APPROVED:

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Executive Director

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