

ADMINISTRATIVE EXEMPTION and TRADE, TRAVEL, AND TOURISM COMMITTEE REPORT relative to amending the Port of Los Angeles (POLA) Foreign-Trade Zone (FTZ) General Purpose Operating Agreement with Citizen Watch Company of America, Inc.

Recommendations for Council action:

1. **ADOPT** the determination by the Board of Harbor Commissioners that the proposed action is administratively exempt under the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2.f of the Los Angeles City CEQA Guidelines.
2. **APPROVE** the Port Resolution No. 19-9559 relative to the Third Amendment to POLA FTZ General Purpose Operating Agreement No. 19-2346-C with Citizen Watch Company of America, Inc., for the use of 129,934 square feet of office and warehouse space at FTZ 202, Site 7D, located at 1000 West 190th Street, Torrance, for an annual payment of \$10,000.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that this action will not impact the General Fund. Citizen Watch Company of America, Inc., will be required to pay an annual fee of \$10,000 per year or \$50,000 for the five-year term. All funds will be deposited in the Harbor Revenue Fund. The above recommendations comply with Port financial policies in that any expenditures made for FTZ-related expenses will be paid by appropriate Port revenues and fees.

Community Impact Statement: None submitted.

TIME LIMIT FILE – MARCH 2, 2020

(LAST DAY FOR COUNCIL ACTION – FEBRUARY 28, 2020)

SUMMARY

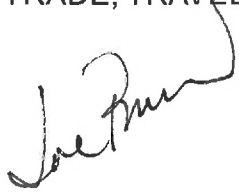
In a report to the Mayor dated January 28, 2020, the CAO states POLA requests approval of the Third Amendment to the FTZ General Purpose Operating Agreement No. 19-3670 with Citizen Watch. According to the CAO, Citizen Watch makes, imports, warehouses and distributes watches and related accessories. Citizen will continue to use the site as a warehouse for receiving, storing, repackaging and relabeling, managing logistics and inventory, and distributing watches and related accessories for the domestic and international markets.

On August 22, 2019, the Board of Harbor Commissioners approved POLA's request. The CAO concurs with this action.

At its meeting held February 4, 2020, the Trade, Travel, and Tourism Committee recommended that Council approve the proposed Third Amendment to the FTZ agreement with Citizen Watch, as recommended by the Board of Harbor Commissioners and the CAO.

Respectfully Submitted,

TRADE, TRAVEL, AND TOURISM COMMITTEE

A handwritten signature in black ink, appearing to read 'Joe Buscaino', written in a cursive style.

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

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-NOT OFFICIAL UNTIL COUNCIL ACTS-