

ADMINISTRATIVE EXEMPTION and TRADE, TRAVEL, AND TOURISM COMMITTEE REPORT relative to the First Amendment to the Port of Los Angeles (POLA) Free-Trade Zone (FTZ) General Purpose Operating Agreement with Schenker, 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 POLA Resolution No. 20-9625 authorizing proposed First Amendment to FTZ General Purpose Operating Agreement No. 20-3306-A with Schenker, Inc., extending the term for five years for the continued use of warehouse and office space at FTZ 202, Site 41, located at 22941 South Wilmington Avenue, Carson.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that this action will not impact the General Fund. Schenker Inc., will pay an annual fee of \$7,750 per year or \$38,750 for the five-year term. All funds will be deposited in the Harbor Revenue Fund. The above recommendations comply with POLA financial policies in that any expenditures made for FTZ-related expenses will be paid by appropriate POLA revenues and fees.

Community Impact Statement: None submitted.

TIME LIMIT FILE – AUGUST 17, 2020

(LAST DAY FOR COUNCIL ACTION – AUGUST 14, 2020)

SUMMARY

In a report to the Mayor dated May 12, 2020, the CAO states POLA requests approval of the First Amendment to FTZ General Purpose Operating Agreement with Schenker, Inc., extending the term of agreement for five years. Schenker Inc., provides international transport, logistic, warehouse, and distribution services. Schenker, Inc., uses the site as a multi-usage FTZ facility, receiving, storing, repackaging and relabeling, managing logistics and inventory, and distributing various products such as automobiles and electronic components for the domestic and international markets.

On April 2, 2020, the Board of Harbor Commissioners approved POLA's request. The CAO concurs with this action.

At its special meeting held June 26, 2020, the Trade, Travel, and Tourism Committee recommended that Council approve the proposed First Amendment of the POLA FTZ General Purpose Operating Agreement with Schenker, Inc., as recommended by the Board of Harbor Commissioners and the CAO.

Respectfully Submitted,

TRADE, TRAVEL, AND TOURISM COMMITTEE

A large, stylized handwritten signature in black ink, appearing to be 'Jaw'.

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

jaw

-NOT OFFICIAL UNTIL COUNCIL ACTS-