

CATEGORICAL EXEMPTION and TRADE, COMMERCE, AND TOURISM COMMITTEE REPORT relative to the proposed first amendment to the Foreign-Trade Zone (FTZ) agreement with Carson Dominguez Properties, L.P., for FTZ 202, Site 4.

Recommendations for Council action:

1. ADOPT the determination by the Los Angeles Harbor Department that the proposed action is exempt under the California Environmental Quality Act (CEQA) as provided in Article III, Section 1(14) of the Los Angeles City CEQA Guidelines.
2. APPROVE the proposed first amendment to FTZ General Purpose Operating Agreement 15-2824-A between the City of Los Angeles Harbor Department and Carson Dominguez Properties, L.P., FTZ 202, Site 4 as described in the Harbor Department's revised report dated April 8, 2015.
3. RECIEVE and FILE the Harbor Department's report dated April 1, 2015 inasmuch as no further Council action is necessary.

Fiscal Impact Statement: The City Administrative Officer reports that the proposed first amendment to FTZ Developer Agreement No.10-2823 with Carson Dominguez Properties, L.P. is for FTZ No. 202, Site No.4. Carson Dominguez Properties, L.P. has paid an initial fee of \$2,500 to the Harbor Department, a one-time activation fee of \$5,000 and an administrative fee of \$7,750 per year for a total of \$38,750 for each five-year term and a maximum of \$160,000 over the proposed 20-year life of the agreement. Approval of the agreement provides tax and operating benefits to Carson Dominguez Properties L.P. and economic development in the region. The proposed amendment will have no impact on the City General Funds and any funds will be deposited in the Harbor Revenue Fund.

Community Impact Statement: None submitted.

TIME LIMIT FILE – JUNE 1, 2015

(LAST DAY FOR COUNCIL ACTION – MAY 29, 2015)

SUMMARY

At the meeting held on April 14, 2015, your Trade, Commerce and Tourism Committee considered a Harbor Department transmittal relative to first amendment of FTZ Developer Agreement No. 10-2824 with Carson Dominguez Properties, L.P. in FTZ No. 202, Site No.4, located in the City of Carson. The CAO reports that Carson Dominguez is a real estate investment firm whose principal address is in the City of Newport Beach. The Federal FTZ Board designated the Harbor Department as the Grantee/Administrator of FTZ No. 202 for the City of Los Angeles and the surrounding region. Carson Dominguez leases portions of FTZ Site No. 4 properties under the auspices of the Federal FTZ Board to qualified FTZ operating companies to use as office, warehousing and distributing facilities for processing goods and services. The original agreement with Carson Dominguez was approved for a term of five years, from May 2010 through April 2015, with renewal options for three subsequent five-year terms, for a total contract term up to 20 years. The proposed amendment will authorize the execution of the first contract renewal option for an additional five-year term, from May 2015 to April 2020.

An opportunity for public comment was held. After a brief discussion, the Committee moved to approve the recommendations contained in the transmittal. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

TRADE, COMMERCE, AND TOURISM COMMITTEE

A handwritten signature in blue ink, appearing to read 'Paul Bonin', with a long horizontal flourish extending to the right.

<u>MEMBER</u>	<u>VOTE</u>
LABONGE:	YES
BUSCAINO:	YES
BONIN:	YES

ME

-NOT OFFICIAL UNTIL COUNCIL ACTS-