

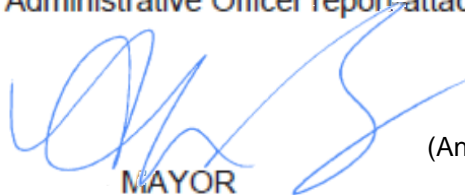
0150-11673-0000

TRANSMITTAL

TO Eugene D. Seroka, Executive Director Harbor Department	DATE 04/20/21	COUNCIL FILE NO. 18-0626 20-1579
FROM The Mayor	COUNCIL DISTRICT 15	

**PROPOSED TRANSFER OF JURISDICTION AND CONTROL OF REMNANT RAILROAD
RIGHT-OF-WAY AT CHANNEL STREET FROM THE HARBOR DEPARTMENT TO THE
GENERAL SERVICES DEPARTMENT**

Transmitted for further processing and Council consideration.
See the City Administrative Officer report attached.



MAYOR

(Ana Guerrero for)

RHL:JCY:10210107t

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: April 13, 2021

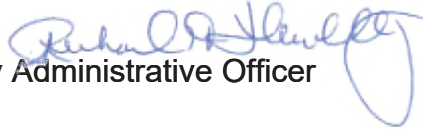
CAO File No. 0150-11673-0000

Council File No. 18-0626, 20-1579

Council District: 15

To: The Mayor

From: Richard H. Llewellyn, Jr., City Administrative Officer



Reference: Correspondence from the Harbor Department dated June 15, 2020; referred by the Mayor for report June 23, 2020

Subject: **PROPOSED TRANSFER OF JURISDICTION AND CONTROL OF REMNANT RAILROAD RIGHT-OF-WAY AT CHANNEL STREET FROM THE HARBOR DEPARTMENT TO THE GENERAL SERVICES DEPARTMENT**

RECOMMENDATIONS

That the Mayor approve the Harbor Department (Port) Resolution No. 20-9651 authorizing the adoption of Order No. 20-7281, a corresponding Ordinance, and a Notice of Transfer of Jurisdiction and Control to transfer jurisdiction and control of a portion of remnant railroad right-of-way at Channel Street from the Port to the General Services Department (GSD); and, return the Resolution document to the Port for further processing, including Council consideration.

SUMMARY

The Harbor Department (Port) Board of Harbor Commissioners (Board) requests approval of Resolution No. 20-9651 (Resolution) authorizing the adoption of Order No. 20-7281, a corresponding Ordinance, and a Notice of Transfer of Jurisdiction and Control (TOJ) to transfer a 7,217 square foot Port property interest, which is a portion of remnant railroad right-of-way at Channel Street west of Pacific Avenue (Channel Street property), from the Port to the City General Services Department (GSD). The Port has determined that the property is not developable for maritime purposes and can be considered surplus. The Board additionally finds that the transaction is in the public interest in that it will create public benefit, including, but not limited to, providing a space for the City to develop a public skate park. Council District 15 (CD15) expresses a desire to turn the property into a permitted public skate park and has partnered with the San Pedro Skatepark Association (SPSA), a 501(c)3 nonprofit organization, to complete construction on the project and operate the skate park. In accordance with Council instruction on February 3, 2021 (C.F. 20-1579), GSD is in the process of negotiating a lease agreement with the SPSA, subject to final Council approval. Authorizing the TOJ of the Channel Street property to GSD allows GSD the authority to execute the lease agreement.

BACKGROUND

The Channel Street property is a portion of remnant railroad right-of-way adjacent to an active railway on Port-controlled property. The site is additionally bordered by a California Department of Transportation (Caltrans) park-and-ride parking lot and runs under an Interstate Highway 110 (I-110) overpass. The site currently houses a closed, unpermitted skate park, which was built by the SPSA in 2002. The Port officially closed the site in 2014 in order for Caltrans, which has an easement over a portion of the site, to perform overhead highway widening work on the I-110.

Seeing the demand and support from the community, CD15 began working with the SPSA in 2014 to bring the property in compliance with City permitting and building requirements in order to reopen. In July 2018, the Council approved approximately \$11,500 from the AB1290 Fund to cover the cost of Planning Department (DCP) permit fees for site development (C.F. 18-0626). The SPSA, working through a consultant, completed improvement plans for the site including drainage, guardrails, concrete patchwork, and minor parking lot rehabilitation. The Department of Building and Safety (LADBS) issued a construction permit in August 2019 and the site currently has DCP Site Review Approval through November 2021. Construction on the property is cleared for commencement, pending Right of Entry approval from the Port, the de facto property owner.

However, property use under Port jurisdiction is limited to maritime use and other State Tidelands Grant restrictions, which precludes use of the Channel Street property as a skate park. The Port states that its engineering staff has verified that the adjacent railway has sufficient clearance for safe, continued use should the Channel Street property be excluded. The Port additionally reports that the property is not developable for maritime use, due to its location and access limitations, and that jurisdiction and control can be transferred to the City for public benefit development. Property under City jurisdiction may be eligible for development under municipal and active recreation uses, such as a skate park. The proposed TOJ from the Port is required for entitlement of the Channel Street property to be developed and operated as a skate park.

The proposed TOJ transmits the Channel Street property in as-is condition, without guarantee of the suitability of the property for the desired development, including on zoning requirements, current improvements, contamination, and easements. The proposed TOJ does mention the existing Caltrans easement for public highway overpass use.

Administration and Oversight

Subsequent to negotiations, GSD agreed to receive the TOJ and oversee the operation of the Channel Street property as a skate park under a non-profit lease agreement with the SPSA, pending a Community Benefit Analysis and final Council approval. Additionally, per Council instruction under C.F. 20-1579, RAP, due to its expertise in skate park construction and operation, will oversee the completion of the necessary improvements and repairs identified in the City-approved construction plans that are needed to bring the skate park into compliance with relevant codes. The lease agreement will address concerns of liability, security, and responsibility for compliance and construction and maintenance costs, and will be presented to the Council for approval under separate cover from this proposed TOJ.

Financial Impact

The Port proposes transfer of the Channel Street property to the City at no cost. The Port reports that the property has nominal rental value of \$2,400 or less per year, with costs for keeping the area clean and secure at approximately \$18,150 per year. The Port would incur savings of this amount when the proposed TOJ takes effect. RAP additionally states that annual grounds and construction maintenance costs of its current skate parks average \$43,700 per year. GSD states that it has no funds budgeted for the operation or maintenance of the Channel Street property, and that all costs will be the responsibility of the proposed tenant, the SPSA.

CITY AND ENVIRONMENTAL COMPLIANCE

The proposed Resolution complies with City requirements and meets City and Port financial policies. The City Attorney has approved the proposed TOJ, Order, and ordinance as to form. The Port states that the approval of the proposed TOJ, Order, and ordinance are actions where it can be seen with certainty that there is no possibility of a significant effect on the environment and which transfer surplus government property that is not developable for maritime purposes. Therefore, the Port Director of Environmental Management has determined that the proposed actions are generally and categorically exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II, Section 1 and Article III, Class 12 of the Los Angeles City CEQA Guidelines. This exemption does not cover use and development of the site that may occur subsequent to the proposed transfer.

FISCAL IMPACT STATEMENT

The proposed Harbor Department (Port) Resolution No. 20-9651 authorizes the transfer of jurisdiction and control of a portion of remnant railroad right-of-way at Channel Street from the Port to the General Services Department (GSD) at no cost, in as-is condition. This transfer is anticipated to save the Port and the Harbor Revenue Fund approximately \$18,150 per year in security and maintenance costs. This cost estimate may transfer to the City pending approval of a proposed non-profit lease for operation and maintenance of the property.

FINANCIAL POLICIES STATEMENT

The actions recommended in this report comply with the City's Financial Policies.