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Executive Director

February 12, 2024

Honorable Members of the
City Council of the
City of Los Angeles

CD No. 15

Attention: Mr. Andrew Suh, City Clerk's Office

Subject: RESOLUTION NO. 23-10198: FOREIGN-TRADE ZONE (FTZ) GENERAL PURPOSE
OPERATING AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR
DEPARTMENT AND KUEHNE AND NAGEL INC., FTZ 202, SITE 63

Pursuant to Section 373 of the City Charter and Section 10.5 of the Los Angeles Administrative Code; enclosed for your approval is Resolution No. 23-10198 for the Foreign-Trade Zone (FTZ) Operating Agreement (Agreement) between the City of Los Angeles Harbor Department (Harbor Department) and Kuehne and Nagel Inc. (K&N) to operate its facility within FTZ 202, Site 63, located at 20000 S. Western Avenue, Torrance, CA 90501. This is a 2.6-acre property including a warehouse and office space located approximately 10 miles north of the Port of Los Angeles. K&N would operate its warehouse under FTZ procedures as a multi-usage site. The Harbor Department, as the FTZ grantee, establishes General Purpose Operating Agreements with FTZ operators to oversee their FTZ operations.

The proposed Agreement is for a term of five years with three, five-year renewal options. If the proposed Agreement is approved, the Harbor Department will receive \$7,750 annually from K&N (per FTZ Tariff No. 2). There is no impact to the General Fund.

RECOMMENDATION FOR CITY COUNCIL:

1. ADOPT the determination by the Board of Harbor Commissioners that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines and;
2. APPROVE POLA Resolution No. 23-10198 for the Foreign-Trade Zone Operating Agreement between the City of Los Angeles Harbor Department and Kuehne and Nagel Inc. to operate its facility within FTZ 202, Site 63, located at 20000 S. Western Avenue, Torrance, CA 90501.

Respectfully Submitted,

AMBER M. KLESGES
Commission Secretary

cc: Trade, Travel & Tourism Committee
Councilwoman Park, Chair
Councilman McOsker
Councilman Soto-Martinez
Heleen Ramirez, Mayor's Office
Jacqueline Wagner, CAO
Sergio Carrillo, CD15

Erick Martell, Mayor's Office
Stephanie Magnien Rockwell, Harbor Representative
Jim House, CAO
Kevin Brunke, CD11
Tristan Noack, CLA
Anissa Raja, CD15