

CONSIDERATION OF AN ADDENDUM, WHICH INCLUDES A REVISED MITIGATION MONITORING AND REPORT PLAN, TO THE 2012 ENVIRONMENTAL IMPACT REPORT/ENVIRONMENTAL IMPACT STATEMENT (EIR/EIS), CERTIFIED ON JUNE 7, 2012, and INNOVATION, GRANTS, TECHNOLOGY, COMMERCE, AND TRADE COMMITTEE REPORT, relative to the ninth amendment to the permit between the Los Angeles Harbor Department (LAHD) and Eagle Marine Services LTD. (EMS) to extend the term of the proposed Berth 302-306 American President Lines (APL) Container Terminal Project to be operated by EMS.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. CONSIDER the determination by the LAHD that the proposed action is consistent with the requirements of the California Environmental Quality Act (CEQA) in accordance with the Addendum to the certified 2012 EIR/EIS prepared for the Berth 302-306 APL Container Terminal Project, finding no new significant environmental effects or any substantially more severe effects than previously analyzed in the certified 2012 EIR/EIS.
2. APPROVE LAHD Resolution No. 16-8009 authorizing the ninth amendment to Permit No. 733 between the LAHD and EMS, including the revised Mitigation Monitoring and Reporting Program, finding that this is in the best interest of the City.
3. RECEIVE and FILE the report from Board of Harbor Commissioners (Board) dated October 25, 2016.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that the EMS Terminal under Permit No. 733 is the second highest revenue generating tenant at the Port of Los Angeles (POLA), with an average revenue contribution of approximately \$56 million annually over the past ten years or a total of \$560 million. According to the LAHD, extending Permit 733 with EMS by 16 years will increase the net operating revenue by an estimated \$1.6 billion and increase the minimum annual guaranty obligation by an estimated \$860 million. The proposed amendment will not impact the City General Fund and all revenue will be deposited in the Harbor Revenue Fund.

Community Impact Statement: None submitted.

**TIME LIMIT FILE – NOVEMBER 24, 2016**

**(LAST DAY FOR COUNCIL ACTION – NOVEMBER 23, 2016)**

**(10 VOTES REQUIRED)**

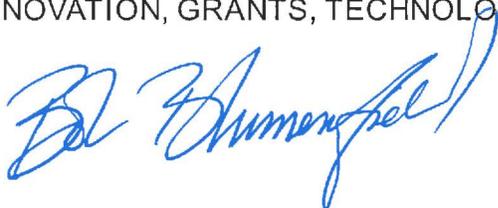
SUMMARY

At the meeting held on November 1, 2016, your Innovation, Grants, Technology, Commerce and Trade Committee considered a LAHD transmittal relative to LAHD Resolution No. 16-8009 authorizing the ninth amendment to Permit No. 733 with EMS. The CAO reports that EMS entered into the permit as a terminal operator with the POLA for 30 years in 1993. EMS is a

terminal operating subsidiary of the shipping line APL. The permit with EMS/APL is on approximately 261 acres of POLA property on and contiguous to Pier 300. The LAHD states that Pier 300 is the second largest and one of the most vital cargo container terminals at the POLA. In addition, Pier 300 has berthing depths of 50 feet, as well as modern on-dock rail facilities, making it able to handle the largest container vessels, as it did recently with the mega-ship CMA-CGM Benjamin Franklin. The existing lease for EMS/APL under Permit 733 will expire in 2027. In June 2012, the Board certified a Final Environmental Impact Statement/Report to improve and expand the proposed Berths 302306 APL Container Terminal Project to be operated by EMS. An opportunity for public comment was held. After a brief discussion, the Committee moved to approve the recommendations contained in the transmittal as amended, at detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

INNOVATION, GRANTS, TECHNOLOGY, COMMERCE AND TRADE COMMITTEE



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

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**