

ADMINISTRATIVE EXEMPTION and TRADE, TRAVEL AND TOURISM COMMITTEE REPORT relative to a proposed Foreign-Trade Zone (FTZ) Operating Agreement No. 23-9965 between the Port of Los Angeles (POLA) and Kuehne + Nagel Inc., to operate its facility within FTZ 202, Site No. 63, located at 20000 South Western Avenue, Torrance, California 90501.

Recommendations for Council action:

1. ADOPT the determination by the Board of Harbor Commissioners (Board) that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2(f) of the City of Los Angeles CEQA Guidelines.
2. APPROVE the FTZ General Purpose Operating Agreement No. 23-9965 between the POLA and Kuehne + Nagel Inc., to operate its facility within FTZ 202, Site No. 63, located at 20000 South Western Avenue, Torrance, California 90501, for a term of five years with three, five-year renewal options commencing on the first day of the month following approval by the City.
3. CONCUR with Board action on June 22, 2023, by Resolution No. 23-10198, authorizing the Executive Director, POLA, or designee, to execute the proposed FTZ Operating Agreement No. 23-9965, already approved as to form by the City Attorney.

Fiscal Impact Statement: The City Administrative Officer reports that approval of the proposed FTZ Operating Agreement No. 23-9965 with Kuehne + Nagel Inc. will result in POLA receiving \$7,750 annually in accordance with FTZ Tariff No. 2. Approval of the Agreement is not projected to result in additional, incremental FTZ-related consulting service expenses being incurred by POLA. The recommendations in the report comply with POLA's Financial Policies. There is no impact to the City's General Fund.

Community Impact Statement: None submitted.

**TIME LIMIT FILE - APRIL 15, 2024
(LAST DAY FOR COUNCIL ACTION - APRIL 12, 2024)**

SUMMARY

At a regular meeting held on February 20, 2024, your Trade, Travel and Tourism Committee considered a Board of Harbor Commissioners report relative to a proposed FTZ General Purpose Operating Agreement No. 23-9965 between POLA and Kuehne + Nagel Inc., FTZ 202, Site No. 63, located at 20000 South Western Avenue, Torrance, California 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. Kuehne + Nagel Inc. would operate its warehouse under FTZ procedures as a multi-usage site. POLA, as the FTZ grantee, establishes General Purpose Operating Agreements with FTZ operators to oversee their FTZ operations.

After an opportunity for public comment was held, the Committee moved to approve the recommendations contained in the report dated February 12, 2024, as detailed above. This matter is now forwarded to City Council for consideration.

Respectfully submitted,

TRADE, TRAVEL AND TOURISM COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PARK:	YES
MCOSKER:	YES
SOTO-MARTINEZ:	YES