

## MOTION

In 1974, the Port of Los Angeles issued a revocable permit to Petrolane, the original occupant of the Rancho LPG facility, to construct, operate, and maintain an industrial railroad spur track connecting the Petrolane facility to the existing spur track along Gaffey Street, which predated the facility. In 1994, as part of the Alameda Corridor project, the Port of Los Angeles, in partnership with the Port of Long Beach, acquired an ownership interest in the spur track running parallel to Gaffey Street, extending to the point covered by the revocable permit.

Following the Alameda Corridor transaction, the Port of Los Angeles gained full ownership of the entire railroad spur track serving the Rancho LPG facility. In 2011, the Port entered into Revocable Permit No. 10-05 (the "Rancho Permit") with Rancho LPG, the successor to the original 1974 permit, allowing continued use of the railroad spur track by Rancho LPG.

Issues surrounding the Rancho Permit and Rancho LPG's use of the spur track have been raised with the California State Lands Commission in the past. The City of Los Angeles manages a system for collecting rail spur fees from operators utilizing rail infrastructure within the City's limits to support maintenance and safety. It is important to explore whether this fee structure is applied to Rancho LPG, and if not, why not.

**I THEREFORE MOVE** that the City Council direct the Port of Los Angeles (POLA) and the Office of the City Attorney to evaluate whether the City of Los Angeles collects rail spur fees from Rancho LPG, the operator of the rail line permitted under Revocable Permit No. 10-05. This evaluation should include a review of the historical context of the spur track, encompassing the 1974 revocable permit, the Alameda Corridor transaction, and the 2011 Rancho Permit, to determine if the existing terms of the permit allow or require the collection of rail spur fees. If fees are not collected, the evaluation should include a plan to establish a collection plan.

**I FURTHER MOVE** that the results of this evaluation, including any necessary amendments or adoption of new policies related to Revocable Permit No. 10-05, and an evaluation of the complete rail system within the City's limits and jurisdiction, for further consideration and action by the City Council.

PRESENTED BY:

TIM McOSKER

Councilmember, 15<sup>th</sup> District

SECONDED BY:

  
MAR 25 2025

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