

11/23

File No. 16-1183

CATEGORICAL EXEMPTION and INNOVATION, GRANTS, TECHNOLOGY, COMMERCE, AND TRADE COMMITTEE REPORT relative to the Foreign-Trade Zone (FTZ) agreement with Access World (USA), LLC. (Access) for FTZ 202, Site 10F.

Recommendations for Council action:

1. ADOPT the determination by the Los Angeles Harbor Department (LAHD) that the proposed action is exempt under the California Environmental Quality Act (CEQA) as provided in Article III, Class 1(14) of the Los Angeles City CEQA Guidelines.
2. APPROVE LAHD Resolution No. 16-7989 authorizing FTZ Operating Agreement No. 16-3416 between the LAHD and Access.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that the proposed FTZ Operator Agreement with Access, in FTZ 202, Site No. 10F, will have no impact on the General Fund. Access already has paid a one-time application or activation fee of \$5,000. In addition to the \$5,000 fee, Access will pay an annual administrative fee of \$7,750 per year or \$38,750 for one five-year contract term. The three additional contract renewal options are subject to ratification by the Board of Harbor Commissioners, for up to a total 20-year contract term and total revenue of \$160,000, if the contract is renewed. All Funds will be deposited in the Harbor Revenue Fund.

Community Impact Statement: None submitted.

TIME LIMIT FILE - DECEMBER 18, 2016

(LAST DAY FOR COUNCIL ACTION - DECEMBER 14, 2016)

SUMMARY

At the meeting held on November 1, 2016, your Innovation, Grants, Technology, Commerce and Trade Committee considered a LAHD transmittal relative approval for LAHD Resolution No. 16-7989 authorizing the proposed FTZ Operating Agreement No. 16-3416 with Access, in FTZ 202, Site No. 10F. The CAO reports that the FTZ site is located at 989 East 233rd Street in the City of Carson, approximately seven miles from the Port of Los Angeles. The proposed operating agreement with Access is for an initial term of five years, with three subsequent five-year renewal options, for a possible contract term up to a total of 20 years. Access plans to activate, operate and manage its FTZ operations, including a general warehouse facility, under a multi-usage site. A multi-usage operator provides FTZ services to the public. An opportunity for public comment was held. After a brief discussion, the Committee moved to approve the recommendations contained in the transmittal. 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

ME

-NOT OFFICIAL UNTIL COUNCIL ACTS-