

**TO THE COUNCIL OF THE
CITY OF LOS ANGELES**

Your **TRADE, COMMERCE, AND TOURISM** Committee

reports as follows:

ADMINISTRATIVE EXEMPTION and TRADE, COMMERCE, AND TOURISM COMMITTEE REPORT relative to proposed Permit No. 897 with Catalina Channel Express, Inc. for premises in San Pedro, at Berths 94 and 95 to undertake construction, operation, and maintenance of a public passenger facility.

Recommendations for Council action:

1. ADOPT the determination by the Los Angeles Harbor Department that the proposed action is exempt under the California Environmental Quality Act (CEQA) as provided in Article II, Section 2(i) of the Los Angeles City CEQA Guidelines.
2. APPROVE Permit No. 897 granted by the City of Los Angeles Harbor Department to Catalina Channel Express, Inc.

Fiscal Impact Statement: The City Administrative Officer reports that approval of the 25-year lease agreement with Catalina Channel Express, Inc. (Catalina Express) to lease Berths 94 and 95 will allow them to continue to operate a passenger vessel ferry service to transport tourists and commuters between San Pedro and Catalina Island. There is no impact to the City General Fund.

Community Impact Statement: None submitted.

TIME LIMIT FILE - APRIL 5, 2012

(LAST DAY FOR COUNCIL ACTION – APRIL 4, 2012)

SUMMARY

At a special meeting held on March 20, 2012, your Trade, Commerce and Tourism Committee considered a Board report and Resolution No. 12-7242 relative to an Administrative Exemption and Board of Harbor Commissioners report relative to Permit No. 897 with Catalina Channel Express, Inc. for premises in San Pedro, at Berths 94 and 95 to undertake construction, operation, and maintenance of a public passenger facility.

Catalina Express currently occupies 170,678 square feet of land in San Pedro, at Berths 95/96 under Permit No. 768. Proposed Permit No. 897, a successor to Catalina Express's current Permit No. 768, would authorize Catalina to undertake construction, operation, and maintenance of a public passenger facility for a 25-year term at the proposed Premises, Berths 94/95. Catalina is making a substantial investment of approximately \$2.8 million for the relocation.

It is necessary to relocate Catalina Express, and its associated ancillary operations, from Berth 96 to accommodate the expansion of the China Shipping terminal. Failure to have Berth 96 available for the China Shipping Expansion in a timely fashion could subject the Harbor Department to penalties if the failure results in delaying the China Shipping expansion project. Thus, it is necessary to relocate Catalina Express to a new site and complete facility improvements essential to the relocation as quickly as possible.

An opportunity for public comment was held. After a brief discussion, the Committee moved to approve the recommendation contained in the report.

This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

TRADE, COMMERCE, AND TOURISM COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
LABONGE:	YES
ROSENDAHL:	YES
BUSCAINO:	ABSENT

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