

ADMINISTRATIVE AND CATEGORICAL EXEMPTION and TRADE, TRAVEL AND TOURISM COMMITTEE REPORT relative to the Fourth Amendment to Permit No. 897 with Catalina Channel Express, Inc., to retroactively amend permit language and reset compensation.

Recommendations for Council action:

- 1) CONCUR with the determination by the Board of Harbor Commissioners (BOHC) that this action is administratively and categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2(f) and Article III, Class 1(14) of the Los Angeles City CEQA Guidelines.
- 2) APPROVE Los Angeles Harbor Department Resolution No. 25-10591 and Order No. 25-7406 authorizing the proposed Fourth Amendment to Permit No. 897 between the Harbor Department and Catalina Channel Express, Inc. to make the following retroactive changes:
 - a) Effective July 25, 2023, amend language to define compensation years and outline requirements to implement percentage rent compensation.
 - b) Effective July 25, 2024, increase the minimum annual rent, which is subject to annual changes in the Consumer Price Index, by \$146,456, from \$497,596 to \$644,052.
- 3) AUTHORIZE the Executive Director, Harbor Department, or designee, to execute the proposed Amendment and Order, already approved as to form by the City Attorney, and return the Resolution to the Harbor Department for further processing, including Council consideration.

Fiscal Impact Statement: The City Administrative Officer reports that there is no impact on the City's General Fund. Approval of the proposed Fourth Amendment to Permit No. 897 with Catalina Channel Express, Inc. and Order No. 25-7406 will retroactively implement percentage rent compensation and reset minimum rent compensation. Retroactive to July 25, 2023, percentage rent compensation will be added, equal to five percent of Gross Receipts that exceed the fixed minimum rent compensation and two percent of Gross Receipts arising from or related to freight operations conducted on the premises that exceed fixed minimum rent compensation. The fixed minimum annual rent, subject to annual changes in the Consumer Price Index, will increase by \$146,456, from \$497,596 to \$644,052 effective July 25, 2024 through July 24, 2029. Revenues will be deposited in the Harbor Revenue Fund. The recommendations in this report and proposed actions comply with the Department's Financial Policies.

Community Impact Statement: None submitted

SUMMARY

At the meeting held on October 14, 2025, your Trade, Travel and Tourism Committee considered a BOHC report relative to the Fourth Amendment to Permit No. 897 with Catalina Channel Express, Inc., to retroactively amend permit language and reset compensation.

After an opportunity for public comment, the Committee moved to approve the recommendations stated in the BOHC report, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

Trade, Travel and Tourism Committee

<u>Member</u>	<u>VOTE</u>
PARK:	YES
McOSKER:	YES
RODRIGUEZ:	YES