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RECOMMENDATION APPROVED;
RESOLUTION 26-10777 (PERMIT 899) ADOPTED
BY THE BOARD OF HARBOR COMMISSIONERS

August 27, 2026

AMKlesges
AMBER M. KLESGES
Board Secretary



DATE: AUGUST 20, 2026

FROM: WATERFRONT & COMMERCIAL REAL ESTATE

SUBJECT: RESOLUTION NO. 26-10777 – APPROVE SIXTH AMENDMENT
TO PERMIT NO. 899 WITH PACIFIC BATTLESHIP CENTER

SUMMARY:

Staff requests approval of the proposed Sixth Amendment to Permit No. 899 (P899) with Pacific Battleship Center (Pacific Battleship), a museum and educational facility commonly referred to as the USS Iowa (Iowa). Under P899, Pacific Battleship has a forty-five (45) year term with a permit expiration date of May 24, 2057.

The proposed Sixth Amendment to P899 establishes conditions for the City of Los Angeles Harbor Department (Harbor Department) to provide up to \$4,000,000 in financial contributions toward the construction of Phase 1 of the Freedom of the Seas Park and Pavilion project, a multi-purpose visitor, community and education center.

If the proposed Amendment is approved, then Harbor Department funding would be made available through the Public Access Investment Plan.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under Article III, Class 1 (14) of the Los Angeles City CEQA Guidelines;
2. Approve the Sixth Amendment to Permit No. 899 with Pacific Battleship Center;
3. Direct the Board Secretary to transmit the Sixth Amendment to Permit No. 899 to the City Council for approval pursuant to Section 606 of the City Charter;
4. Authorize the Executive Director to execute and the Board Secretary to attest to the Sixth Amendment for Permit No. 899 upon approval by the City Council; and
5. Adopt Resolution No. 26-10777.

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DISCUSSION:

Background – P899 between the Harbor Department and Pacific Battleship grants use of approximately 4.43 acres of property at Berths 88-89 (Transmittal 1) for the berthing, maintenance, and operation of the Iowa as a museum and educational facility; venue for maritime and military-related events; special events that promote the LA Waterfront; sleepover programs; filming; special events with prior Harbor Department approval; and storage of associated equipment, material, and supplies.

Pacific Battleship has received an appropriation from the State of California from the General Fund for a \$6.7 million grant through the State of California Department of Natural Resources towards the construction of the Freedom of the Seas Park and Pavilion. Freedom of the Seas Park and Pavilion is designed to fulfill the community demand for a veterans-orientated park and community space on the San Pedro Waterfront. The proposed 2/3-acre project includes a 35,000 square foot public access veterans-oriented park and a 5,000 square foot multi-purpose community and education center. Freedom of the Seas Park and Pavilion would be located at Berth 88-89 and would allow the public to access the waterfront and the Iowa through a park setting. Additionally, Freedom of the Seas Park and Pavilion has the potential to align with the Harbor Department's vision for redevelopment of the Harbor Boulevard corridor to a more public-facing and pedestrian-friendly area, developed with community-based planning, that offers employment or volunteer opportunities (veteran engagement) and funding partners, addresses a critical lack of park space, and serves an area of significant poverty.

On November 5, 2024, the Los Angeles City Council approved Resolution 24-10428 regarding the Fifth Amendment to P899. Under the Fifth Amendment, the P899 premises were extended by 17,630 square feet, and the permitted use under P899 was amended to allow for the construction and operation of the Freedom of the Seas Park and Pavilion. Furthermore, Pacific Battleship agreed to construct the Freedom of the Seas Park and Pavilion at its sole cost and expense.

Proposed Sixth Amendment – The proposed Sixth Amendment (Transmittal 2) will update the responsibilities of Pacific Battleship regarding construction of the Freedom of the Seas Park and Pavilion and establishes a cost reimbursement structure with the Harbor Department for Phase 1 of the Freedom of the Seas Park and Pavilion. A summary of the proposed changes is below.

Summary of Significant Terms:

Provision	Description
New Facilities	• Pacific Battleship shall construct the Freedom of the Seas Park and Pavilion at its own initial cost and expense, consisting of: ◦ Phase 1 Pavilion: a 17,500-square-foot LA Waterfront community and visitor center

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	for students, veterans, nonprofits, and civic partners located on Parcel Nos. 3 and 4 ○ Phase 2 Park: a park located in Parcel No. 2
Conditions for City Contribution	• Harbor Department will reimburse Pacific Battleship for a portion of costs for Phase 1, not to exceed \$4,000,000 • Payment is conditioned on Pacific Battleship complying with the following requirements: ○ Use of a design-bid-build procurement method ○ Compliance with prevailing wage requirements ○ Competitive bidding efforts, including securing three bids or providing written justification when fewer are received ○ Inclusion of specified Harbor Department-required terms in bid documents (insurance, indemnity) ○ Submission of bid documents for Harbor Department review prior to advertisement ○ Quarterly written construction progress reports ○ Comprehensive financial documentation demonstrating costs exceeding the \$6,700,000 California State grant, final payment applications, invoices, lien releases and proof of payment to contractors ○ Harbor Department retains the right to refuse reimbursement if Pacific Battleship fails to follow required bid procedures
City Contribution	• Harbor Department reimbursement will be made as a single payment upon substantial completion of Phase 1, defined as issuance of a temporary or permanent Certificate of Occupancy or equivalent authorization

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ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of Iowa 6th Amendment to Permit No. 899 which establishes conditions for the Harbor Department to provide up to four million dollars toward the construction of Phase 1 of the Freedom of the Seas Park and Pavillion project, which is an activity for which the underlying project has been previously assessed in Addendum to the Berth 87 USS Iowa Project Environmental Impact Report (SCH# SCH No. 2011081097 APP No. 240806-116), which was considered by the Board on January 6, 2026. Therefore, the Director of Environmental Management has determined that the proposed action has been previously evaluated pursuant to the requirements of CEQA under Article II Section 2(i) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed Sixth Amendment to P899 will establish conditions for the Harbor Department to provide up to \$4,000,000 in financial contributions toward the construction of Phase 1 of the Freedom of the Seas Park and Pavillion project. Compensation provisions under P899 will remain unchanged. Pacific Battleship currently pays the greater of four percent of gross receipts or minimum rent of \$10,413.25 per month, subject to increases based upon the annual change in the Consumer Price Index. The Harbor Department contribution for Phase 1 of the Freedom of the Seas Park and Pavillion will not exceed \$4,000,000, with funding coming from the Public Access Investment Plan, and is contingent upon Pacific Battleship complying with all conditions specified in Section 3.1.2.

The one-time reimbursement payment for Phase 1 is expected to occur in Fiscal Year 2030. Funding in the amount of \$4,000,000 is available within Account 161305 (Construction in Progress), Division 00000 (Harbor Global), Project 65000273 (B.88-89 USS Iowa Freedom of the Seas Park & Pavillion Improvements).

The Freedom of the Seas Park and Pavillion project is expected to cost \$17,000,000.00.

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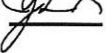
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CITY ATTORNEY:

The Office of the City Attorney has prepared and approved the Sixth Amendment as to form and legality.

TRANSMITTALS:

1. Site Map
2. Sixth Amendment

FIS Approval: 
CA Approval: 

Michael J. Galvin

MICHAEL J. GALVIN
Director of Waterfront & Commercial Real Estate

Michael DiBernardo

MICHAEL DIBERNARDO
Deputy Executive Director

Erica M. Calhoun for

APPROVED:
EUGENE D. SEROKA
Executive Director

ES:MD:MG:HP:MS:lt
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