

ITEM No. 10 - A


MOTION

I MOVE that the matter of the Environmental Impact Report (Eir) and Communication from the Board of Harbor Commissioners relative to the proposed Site Preparation and Access Agreement (SPAA) with BNSF Railway Company for the construction, operation and maintenance of the Southern California International Gateway (SCIG) facility, Item No. 10 on today's Council Agenda (13-0398), BE AMENDED, upon a full resolution of all CEQA issues resulting in approval of a certified Final EIR for this project (Item 9 on today's Council Agenda), **to adopt the following findings:**

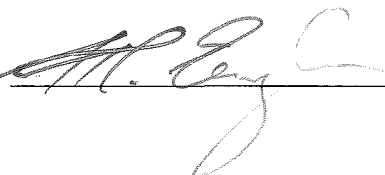
In accordance with Section 607(a) of the Charter, Council hereby finds that the issuance of the SPAA and Permit with aggregate terms up to 50 years is in the best interests of the City in that:

- a. A 50-year term facilitates the Port of Los Angeles' ("POLA's") ability to retain and grow market share as global competition brought about by the Panama Canal widening and other factors intensifies, by: increasing the efficient movement of containers onto and off of the premises of POLA tenants; introducing a second Class 1 rail operator to the San Pedro Bay, thereby increasing rate and service competition beneficial to POLA customers; and tangibly demonstrating the commitment and ability to maintain state-of-the-art infrastructure in an environmentally responsible way.
- b. A 50-year term ensures that the communities surrounding POLA and the routes formerly used by trucks transporting containers that now will be carried by rail benefit from the emissions reductions brought about by the SCIG for the longest period allowed by currently applicable law.
- c. Over 50 years, the SPAA and Permit will generate an estimated \$800 million in revenue for the Harbor Department, \$320 million of which will be generated from years 31 through 50 of the term.
- d. Tenant BNSF's investment of approximately \$500 million to design and construct the SCIG, as a Class 1 facility, is contingent upon a 50-year term, which provides a sufficient period of operations to obtain a reasonable return.

PRESENTED BY:


TOM LABONGE
Councilman, 4th District

SECONDED BY:



May 8, 2013

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