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Executive Director

July 19, 2018

Honorable Members of the City Council of the City of Los Angeles

CD No. 15

Attention:

Mr. John White, City Clerk's Office

SUBJECT:

RESOLUTION NO. 18-8280 - APPROVAL OF FOREIGN-TRADE ZONE SUBZONE

OPERATING AGREEMENT NO. 18-3578 BETWEEN THE CITY OF LOS ANGELES

HARBOR DEPARTMENT AND FOREVER 21 LOGISTICS, LLC FTZ 202, SITE G

Pursuant to Section 373 of the City Charter and Section 10.5 of the Los Angeles Administrative Code, enclosed for your approval is Resolution No. 18-8280 authorizing Agreement No. 18-3578 between the City of Los Angeles Harbor Department and Forever 21 Logistics, LLC (Forever 21); which was approved at the May 17, 2018 meeting of the Board of Harbor Commissioners. The proposed agreement will allow Forever 21 to operate its warehouses within Foreign-Trade Zone 202, Site G, which comprises of Building 1, located at 3882 N. mission Road, Los Angeles, California, and Building 2, located at 2011 N. Soto Street, Los Angeles, California. Site G consists of two warehouses totaling 1,126,000 square feet and office space on 32.8 acres. Forever 21 will operate its warehouses under FTZ procedures as a Subzone site. The term of the proposed agreement is five-years with three, five-year renewal options and will require Forever 21 to pay an annual fee of \$10,000 to the City of Los Angeles Harbor Department. There is no impact to the General Fund.

RECOMMENDATION FOR CITY COUNCIL:

- ADOPT the determination by the Board of Harbor Commissioners (Board) that the proposed action is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article III, Class 1 (14) of the Los Angeles City CEQA Guidelines;
- 2. APPROVE Harbor Department Resolution No. 18-8280 authorizing proposed Agreement No. 18-3578 between the City of Los Angeles Harbor Department and Forever 21 Logistics, LLC.; and
- 3. Return to the Board of Harbor Commissioners for further processing.

Respectfully Submitted,

AMBER M. KLESGES

Commission Secretary

cc: Trade, Travel & Tourism Committee
Councilman Buscaino
Councilman Bonin
Councilman Krekorian
Mandy Morales, Mayor's Office

Erick Martell, Harbor Representative Alvin Newman, CAO Dennis Gleason, CD15 Mandana Khatibshahidi, CLA