

MOTION

The City is undergoing a process of deploying potential recommendations and avenues towards Charter reform— which includes examining City departments to report recommendations for sections in the Charter that would benefit from reform to modernize the City's organizational structure or support more strategic citywide policies.

The Port of Los Angeles manages State public lands and water held in trust by the City of Los Angeles, pursuant to a State Tidelands Trust. The City's Charter charges the Board of Harbor Commissioners with the responsibility for the management, supervision, and control of these land and water areas. The Port is unique in that the specific Charter provisions that govern it reflect the Trust between the City of Los Angeles and the State of California.

Two aspects of Port-related Charter reform that have yet to be addressed and are of high importance to the local community are related to the Port's Public Access Investment Plan (PAIP) and the Port's Leasing Policy. Changes to the PAIP and the Leasing Policy, if folded into Charter reform, are crucial to providing prompt service to all constituents and meeting the needs of a 21st-century workforce.

The PAIP is a plan that allocates a minimum of ten percent of the Harbor Department's annual Operating Income to build Waterfront public access projects and provide Port-related community benefits. Currently, the PAIP is not codified into the Charter and does not exist "formally" inside City processes beyond agreements between the Council office and the Port. However, changes to the PAIP's implementation have been a shared effort between the Port and the community which has included public input processes and collaboration with the Council office to bring about improvements to the Waterfront in and around the Port.

Additionally, another community-driven aspect of improving the Port for the people has been connected to modifying the Port's Leasing Policy to pinpoint the impacts of leases on the local economy. The Leasing Policy's perceived connection to the impact of jobs, and the current extent to which it could support the regional and local economic environment, must be further addressed and scrutinized within Charter reform efforts for the Port. With a focus on the collective health of the local and regional community, an amended Leasing Policy that clarifies how jobs are impacted, and that is codified in the Charter, can help us accomplish our shared goals for the future of the Port—and the people—of Los Angeles.

The local community and Council Office also have a shared interest in promoting the growth of local employment opportunities within the international trade and goods movement sectors of the economy. For these reasons, while Charter reform is currently being reviewed at the City Council level, there is a desire to take this opportunity to revisit the PAIP as well as aspects of the Leasing Policy in order to better assess the current extent to which it could support the regional and local economic environment.


FEB 04 2025

I THEREFORE MOVE that the City Council direct the Chief Legislative Analyst, Executive Director of the Port of Los Angeles, in coordination with the City Administrative Officer and City Attorney, to report to the Trade, Travel & Tourism Committee with an update on the language relative to establishing a new section in the Charter and to be considered within Charter Reform processes, that implements a “Port of Los Angeles Public Access Investment Plan”, with specifics outlined below:

- I. **FUNDING FOR PUBLIC ACCESS PROJECTS (CAPITAL):** The plan allocates a minimum of ten percent (10%) of the Harbor Department’s annual Operating Income to build LA Waterfront public access projects and provide Port-related community benefits.
- II. **PROJECT PLANNING:** The Harbor Department shall engage the City Council Office of the 15th District (CD15) on an annual basis no later than March of each year to determine the scope, range and budget of Public Access Projects for the next fiscal year, consistent with the Tidelands Trust. CD15 shall engage in a public process to report back on community recommendations for the Public Access Projects to the Harbor Department.

The report on community recommendations for the Public Access Projects shall then be considered and incorporated in the Harbor Department’s annual budget planning process. The Harbor Department and CD15 Office shall endeavor to plan for multi-year expenditures and projects, to the extent permissible by law and this policy.


- I. **OPERATING INCOME:** For purposes of calculating Operating Income for this plan, Revenue does not include purpose-directed funds collected from third parties. Examples include, but are not limited to, environmental document reimbursements, Marine Oil Terminal Engineering and Maintenance Standards reimbursements, Clean Truck Program Fees, and Harbor Maintenance Tax funding.
- II. **CAPITAL IMPROVEMENT PROGRAM:** Harbor Department reporting and selection of Public Access Investment Plan projects shall be aligned with the Harbor Department’s overall five-year Capital Improvement Program budget process. The process includes community input on project selection, consistent with the process outlined above. The community input process will continue with annual reporting and engagement coupled with more in depth project prioritization processes when necessary based on status of budgetary allocation for existing projects and funding availability for new projects.
- III. **ANNUAL BUDGET PROCESS:** Implementation of the plan and its guidelines are subject to the Board of Harbor Commissioners approval. The percentage of Operating Income allocated annually and specific amount allocated to projects per year will be determined by the Board of Harbor Commissioners with consideration of the Section III Project Planning process during the Harbor Department’s annual budget process with consideration to the Harbor Department’s economic and financial outlook, pursuant to sections IX and X.
- IV. **PLAN MODIFICATION:** In the event of needs to modify the plan as proposed including, without limitation, general economic trends, declining financial outlook, legal issues, and the extent that public access projects are needed, the Harbor Department will notify

public stakeholders to facilitate public comment, and may subsequently take Board action to adjust the percentage of operating income downward.

I FURTHER MOVE that the City Council direct the Chief Legislative Analyst, Executive Director of the Port of Los Angeles, in coordination with the City Administrative Officer and City Attorney, to report to the Trade, Travel & Tourism Committee with an update on proposed amendments and processes needed to establish a “Port of Los Angeles Leasing Policy” section into the Charter and to be considered within Charter Reform processes, and considers changes to the existing Policy with that language that details the establishment and implementation of requiring:

- An application for leasing, including lease extension or amendment, and/or development of Harbor Department property that measures how the proposed project (qualitatively and quantitatively) would impact both direct and indirect jobs associated with the premises, including the number and types of jobs impacted and identifies the verifiable proof of whether the employee effects would be neutral, increase, or decrease the baseline job count; and
- The procedural changes needed for Port plans or policies in order to codify these changes to the Leasing Policy specific for its application to all development applications, and leasing transactions, including, without limitation, Lease Agreements (i.e. leases, permits, and revocable permits), all Lease Agreement amendments, term extensions, assignments, and subleases.

PRESENTED BY: _____


TIM McOSKER
Councilmember, 15th District

SECONDED BY: _____



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