



ORD-16

Memorandum

2019 11 05 15:00:45

November 5, 2019

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Confirm and ratify Ordinance No. HD-2314 of the Board of Harbor Commissioners of the City of Long Beach, which authorizes the execution and delivery by the Executive Director of an Agreement and Master Agreement, both with the City of Los Angeles, as well as documents referenced therein;

Accept the finding that the Agreement and Master Agreement are subsequent approvals contemplated and with the scope of the Final Environmental Impact Report for the Pier B On-Dock Rail Support Project ("FEIR"), certified as complete by the Board of Harbor Commissioners on January 22, 2018; and

Approve the first reading of an Ordinance approving the Master Agreement between the Port of Long Beach and the Port of Los Angeles, First Amendment to Tenancy in Common Agreement HD-7917 between the Port of Long Beach and the Port of Los Angeles, Agreement Between the City of Long Beach and the City of Los Angeles, and four (4) Quitclaim Deeds between the Port of Long Beach and the Port of Los Angeles.

DISCUSSION

This matter is coming before the City Council due to the transfer of fee interest in the Agreement and Master Agreement.

The Port of Long Beach ("POLB") and the Port of Los Angeles ("POLA") formed the Alameda Corridor Transportation Authority ("ACTA") Joint Powers Authority in order to acquire the properties required for the construction of the Alameda Corridor Project. The agreements with the Union Pacific and Southern Pacific railroads included properties beyond the Alameda Corridor project footprint. Those properties were acquired jointly by the Ports, each with an undivided fifty percent interest.

POLA will quitclaim to POLB its 50% fee interest in property totaling approximately 6.941 acres, and easement interest in property totaling approximately 4.406 acres. In addition, POLA will quitclaim to POLB 50% of its fee interest in approximately 2.930 acres to be jointly owned as tenants in common.

POLB will quitclaim to POLA its 50% fee interest in property (primarily in San Pedro) totaling approximately 21.975 acres, and easement interest in property totaling approximately 7.026 acres.

POLA will compensate POLB for the difference in property interests being exchanged by paying the sum of \$9,148,155 to POLB.

POLB seeks the cooperation of the City of Los Angeles on the Pier B On-Dock Rail Support Facility Project ("Project"). POLB and POLA are concurrently entering into various agreements related to the Project. The agreements provide benefits to both POLB and POLA.

A significant portion of the Project is within the city limits of Los Angeles. POLB shall have the responsibility for the acquisition of all property needed for the Project using all reasonable efforts to acquire the property by negotiated purchase. If it becomes necessary to acquire property through the exercise of eminent domain, Los Angeles authorizes POLB to acquire the property in the name of the City of Long Beach.

The POLB Board of Harbor Commissioners approved the subject agreements at its meeting on October 14, 2019. Further details can be found in the attached Board memo.

The POLA Board of Harbor Commissioners approved the Master Agreement at its meeting on September 19, 2019.

Los Angeles City Council approved the Agreement on September 18, 2019 and will review the Master Agreement at its meeting on November 6, 2019.

This matter was reviewed by Principal Deputy City Attorney Charles Gale on October 10, 2019.

TIMING CONSIDERATIONS

City Council action is requested on November 5, 2019 in order to complete the transaction within calendar year 2019 to lessen impacts on the Pier B On-Dock Rail Support Project schedule, and to achieve time frames sought by Los Angeles.

FISCAL IMPACT

There is no fiscal impact to the City budget or the General Fund.

SUGGESTED ACTION:

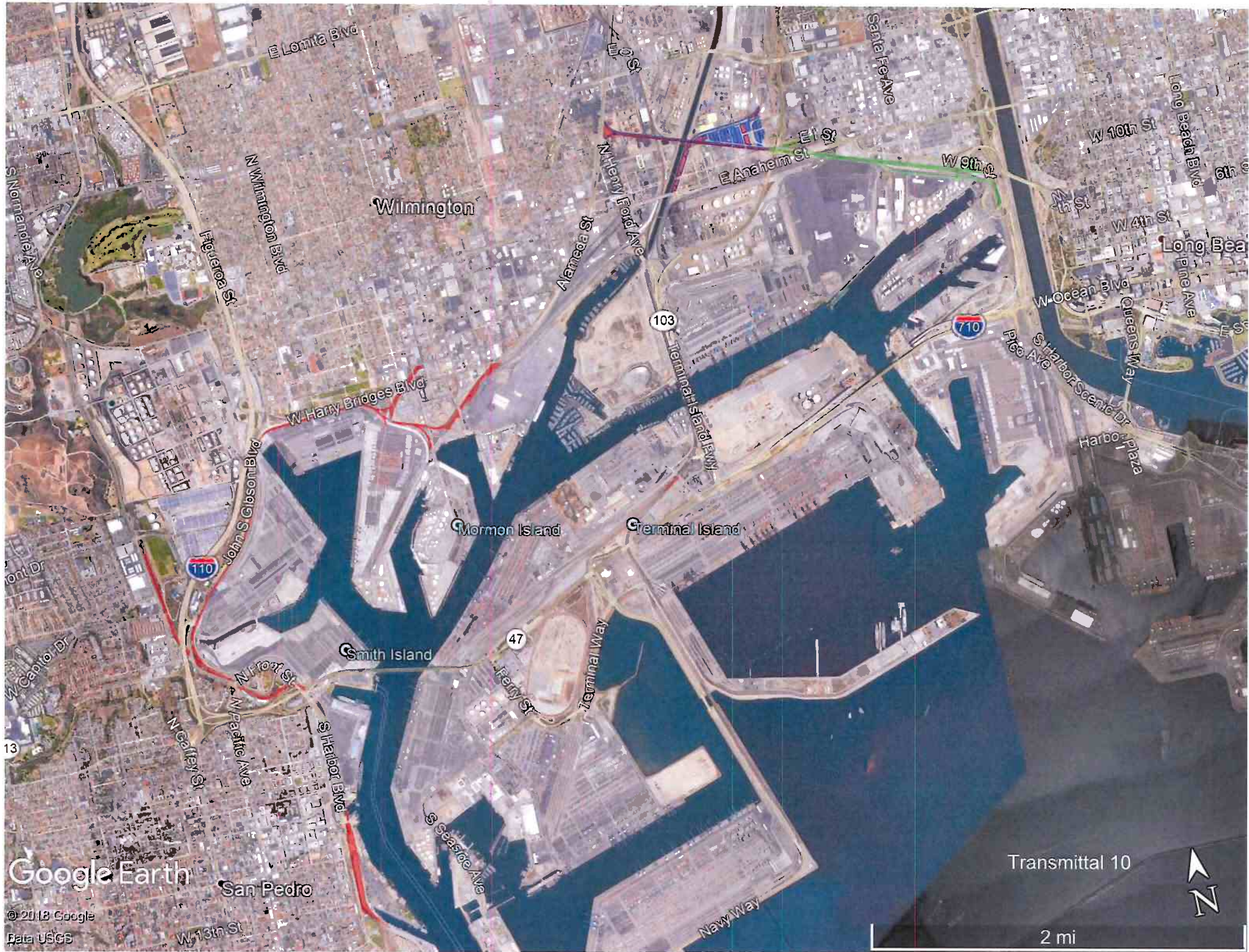
Approve recommendation.

RECOMMENDED BY:



Mario Cordero
Executive Director

- ATTACHMENTS: 1 – Vicinity Map
2 – Ordinance No. HD-2314
3 – Staff Report dated October 14, 2019



Google Earth

© 2018 Google
Data USGS

San Pedro

Transmittal 10

2 mi





Port of Long Beach

Long Beach Civic Center
Bob Foster Civic Chamber
411 West Ocean Boulevard
Long Beach, CA 90802

Legislation Text

File #: HD-19-635, **Version:** 1

DATE: 10/14/2019

Approved: 10/14/2019

TO: Board of Harbor Commissioners

Doc. No.: HD-7917A (1st Amend)

Doc. No.: HD-9148 (Master Agmt)

FROM: Eamonn Killeen, Director of Real Estate

Doc. No.: HD-9149 (CLB & CLA Agmt)

Ord. No.: HD-2314

SUBJECT: Exchange of Rail Property Interests Between the City of Long Beach Harbor Department and the City of Los Angeles Harbor Department
Master Agreement
Quitclaim Deeds (4)
First Amendment to Tenancy in Common Agreement HD-7917
Agreement Between the City of Long Beach and the City of Los Angeles

EXECUTIVE SUMMARY

The Port of Long Beach (“POLB”) and the Port of Los Angeles (“POLA”) formed the Alameda Corridor Transportation Authority (ACTA) Joint Powers Authority in order to acquire the properties required for the construction of the Alameda Corridor Project. The agreements with the Union Pacific and Southern Pacific railroads included properties beyond the Alameda Corridor project footprint. Those properties were acquired jointly by the Ports, each with an undivided fifty percent interest.

POLB seeks the cooperation of the City of Los Angeles on the Pier B On-Dock Rail Support Facility Project (“Project”). POLB and POLA are concurrently entering into various agreements related to the Project. The agreements provide benefits to both POLB and POLA.

The POLA Board of Harbor Commissioners approved the subject agreements at its meeting on September 19, 2019.

KEY POINTS

MASTER AGREEMENT

- The Master Agreement provides for the transfer of property interests between POLB and POLA.
 - POLA will quitclaim to POLB its 50% fee interest in property totaling approximately 6.941 acres.
 - POLA will quitclaim to POLB its 50% easement interest in property totaling approximately 4.406 acres.
 - POLA will quitclaim to POLB 50% of its fee interest in approximately 2.930 acres to be jointly owned as tenants in common.
 - POLB will quitclaim to POLA its 50% fee interest in property totaling approximately 21.975 acres.
 - POLB will quitclaim to POLA its 50% easement interest in property totaling approximately 7.026 acres.

- POLB will quitclaim to POLA 50% of its fee interest in approximately 0.587 acres to be jointly owned as tenants in common.
- POLA will receive substantially more property than POLB as a result of this exchange. POLA will compensate POLB for the difference by paying the sum of \$9,148,155 within thirty (30) days of closing.
- The Ports have shared equally in the costs of third party title and survey work, as well as other third party expenses and will share equally in the third party costs to record the deeds.
- The Ports will amend the Tenancy In Common Agreement HD-7917 (“TIC”) to govern the use of certain properties that will remain jointly owned, those joint properties being created by these exchanges, and certain other properties that are expected to be acquired jointly by the Ports.
- The full execution of an Agreement Between the City of Long Beach and the City of Los Angeles regarding POLB’s Pier B On-Dock Rail Support Facility Project between POLB and the City of Los Angeles is a material precondition to the execution of the Master Agreement.

FIRST AMENDMENT TO TENANCY IN COMMON AGREEMENT

- The Ports entered into a Tenancy in Common Agreement (HD-7917) dated July 6, 2012 for the sole purpose to provide for the development, operation and management of the jointly owned properties.
- The First Amendment to Tenancy In Common Agreement (“First Amendment”) adds and removes the parcels resulting from the exchange provided for in the Master Agreement.
- The First Amendment extends the term of the TIC. The TIC currently shall terminate on the earlier of December 31, 2021 or such earlier date as may be agreed to by the Ports. The termination date shall be extended to June 30, 2064 or such earlier date as may be agreed to by the Ports.
- The TIC is amended to include a provision for mutual cooperation between the Ports regarding rail improvement projects such as the Pier B Project upon property covered by the TIC, in accordance with CEQA.

AGREEMENT BETWEEN THE CITY OF LONG BEACH AND THE CITY OF LOS ANGELES

- The Agreement provides for cooperation from the City of Los Angeles on a number of Pier B On-Dock Rail Support Facility Project (“Project”) items.
- A significant portion of the Project area is within the city limits of Los Angeles.
- POLB will design and construct the Project in Los Angeles in conformance with the “B-Permit” process of Los Angeles and applicable rail standards.
- POLB shall have the responsibility for the acquisition of all property needed for the Project using all reasonable efforts to acquire the property by negotiated purchase.
- If it becomes necessary to acquire property through the exercise of eminent domain, Los Angeles authorizes POLB to acquire the property in the name of the City of Long Beach.
- All expenses in the acquisition of property by any means shall be at POLB’s sole expense.
- Pursuant to existing franchise agreements and applicable law, Los Angeles shall request or authorize Long Beach to request the relocation of utilities interfering with the Project by the utilities, at no expense to Long Beach or Los Angeles. All costs for utility relocations not borne by any utilities shall be the responsibility of POLB.
- Los Angeles shall consider the addition of Farragut Ave (between Anaheim Way and Anaheim Street), and Anaheim Way (between Farragut Ave and Pier B Street) to its permissible overweight and oversize routes.
- Los Angeles may request modifications and/or improvements to the Project and/or to existing Los Angeles facilities for inclusion in the construction contract (“Betterments”). POLB agrees to evaluate

and incorporate such Betterments into its construction contract (if appropriate and timely). The parties will negotiate reimbursement to POLB for the costs of design and administration of the Betterments at the time of the request. Los Angeles shall deposit with POLB 110% of the estimated cost of construction of the Betterments. Upon completion of construction, the actual cost of the Betterments will be reconciled between the parties.

- POLB shall pay to Los Angeles \$1,000,000 as payment in lieu of POLB constructing certain sewer improvements in Anaheim Way and Farragut Avenue as part of a roadway reconstruction project.
- POLB shall quitclaim all of its real property interests to Los Angeles of all jointly owned properties along "I" Street bounded by Farragut Avenue and Pennington Avenue.
- POLB shall quitclaim all of its real property interests to Los Angeles of all jointly owned properties along Alameda Street bounded by Pacific Coast Highway and Harry Bridges Boulevard. The property is needed for Los Angeles roadway improvements.
- The agreements before the POLB Board of Harbor Commissioners require ratification by the Long Beach City Council.

The proposed actions undertaken by the agreements before the Board support the Strategic Plan Goals of increasing the velocity of cargo movement through the Port, and improving operational efficiency and increase Port productivity.

REQUESTED ACTION(S)

This item requests the Board of Harbor Commissioners' approval of an Ordinance which approves the Master Agreement between the Port of Long Beach and the Port of Los Angeles, First Amendment to Tenancy in Common Agreement HD-7917 between the Port of Long Beach and the Port of Los Angeles, Agreement Between the City of Long Beach and the City of Los Angeles, four (4) Quitclaim Deeds between the Port of Long Beach and the Port of Los Angeles, make the determination that this is a subsequent approval contemplated by and within the scope of the certified Final Environmental Impact Report for the Pier B On-Dock Rail Support Project, declaring the urgency thereof and providing that this Ordinance shall take effect immediately. Due to the transfer of fee interest in real property, this item requires ratification by the Long Beach City Council.

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 W. Ocean Boulevard, 9th Floor
Long Beach, CA 90802

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ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH APPROVING, CONFIRMING AND RATIFYING ORDINANCE NO. HD-2314 OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LONG BEACH, WHICH AUTHORIZES THE EXECUTION AND DELIVERY BY THE EXECUTIVE DIRECTOR OF AN AGREEMENT AND MASTER AGREEMENT, BOTH WITH THE CITY OF LOS ANGELES, AS WELL AS DOCUMENTS REFERENCED THEREIN, AND MAKING CERTAIN FINDINGS AND DETERMINATIONS RELATING THERETO

WHEREAS, the Board of Harbor Commissioners of the City of Long Beach has adopted Ordinance No. HD -2314 on October 14, 2019, a complete copy of which is attached hereto as Exhibit "A" and incorporated herein by this reference.

WHEREAS, Ordinance No. HD -2314 of the Board of Harbor Commissioners of the City of Long Beach authorizes, subject to ratification by the City Council, the execution and delivery by the Executive Director of the Harbor Department of the City of Long Beach of an Agreement and Master Agreement, both with the City of Los Angeles, as well as documents referenced therein, and making certain findings and determinations relating thereto; and

WHEREAS, this City Council concurs in the findings of, and wishes to approve, confirm and ratify the actions taken by, the Board of Harbor Commissioners of Ordinance No. HD -2314; and

WHEREAS, the Board has found and ordained that the Agreement and Master Agreement are subsequent approvals contemplated and within the scope of the Final Environmental Impact Report for the Pier B On-Dock Rail Support Project (FEIR)

1 (Project) certified as complete by the Board on January 22, 2018.

2 NOW, THEREFORE, the City Council of the City of Long Beach finds,
3 determines and ordains as follows:

4 Section 1. The City Council of the City of Long Beach hereby finds and
5 determines, in accordance with the provisions of CEQA, that the Agreement and Master
6 Agreement and the documents referenced therein are subsequent approvals
7 contemplated by and within the scope of the FEIR.

8 Sec 2. The City Council of the City of Long Beach hereby concurs in the
9 findings of, and approves, confirms and ratifies the actions taken by, the Board of Harbor
10 Commissioners of the City of Long Beach in Ordinance No. HD-2314 .

11 Sec. 3. The City Clerk shall certify to the passage of this ordinance by the
12 City Council and shall cause the same to be posted in three (3) conspicuous places in the
13 City of Long Beach. This ordinance shall take effect on the later of 31st day after its
14 approval by the Mayor of the City of Long Beach.

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I hereby certify that the foregoing ordinance was adopted by the City Council of the City of Long Beach at its meeting of _____, 2019, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

Approved: _____
(Date)

Mayor

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CHARLES PARKIN, City Attorney
411 W. Ocean Boulevard, 9th Floor
Long Beach, CA 90802

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ORDINANCE NO. HD- 2314

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2
3 AN ORDINANCE OF THE BOARD OF HARBOR
4 COMMISSIONERS OF THE CITY OF LONG BEACH
5 APPROVING AND AUTHORIZING THE EXECUTION AND
6 DELIVERY BY THE EXECUTIVE DIRECTOR OF AN
7 AGREEMENT AND MASTER AGREEMENT, BOTH WITH
8 THE CITY OF LOS ANGELES, AS WELL AS DOCUMENTS
9 REFERENCED THEREIN, MAKING CERTAIN FINDINGS
10 AND DETERMINATIONS RELATING THERETO;
11 DECLARING URGENCY THEREOF AND PROVIDING THAT
12 THIS ORDINANCE SHALL TAKE EFFECT IMMEDIATELY
13

14 WHEREAS, the Board of Harbor Commissioners of the City of Long Beach
15 (Board) desires to enter into an Agreement Between the City of Long Beach and the City
16 of Los Angeles ("Agreement") as well as documents referenced therein with the City of
17 Los Angeles;

18 WHEREAS, the Board desires to enter into a Master Agreement as well as
19 documents referenced therein with the City of Los Angeles, acting by and through its
20 Board of Harbor Commissioners; and

21 WHEREAS, the Board on January 22, 2018 certified the Final
22 Environmental Impact Report for the Pier B On-Dock Rail Support Project (FEIR)
23 (Project) as complete in accordance with the California Environmental Quality Act
24 (CEQA), adopted a statement of overriding considerations and a mitigation monitoring
25 and reporting program, approved the project, and approved a harbor development permit.

26 NOW, THEREFORE, the Board of Harbor Commissioners of the City of
27 Long Beach finds, determines and ordains as follows:

28 Section 1. The Board hereby finds and determines, in accordance with

1 the provisions of CEQA, that:

2 1.1 The execution of the Agreement and Master Agreement, as
3 well as documents referenced therein, copies of which in substantially the form
4 presented to the Board, are available for inspection in the office of the
5 Administrative Officer of the Board and by this reference made a part hereof, are
6 subsequent approvals contemplated by and within the scope of the FEIR for the
7 Project.

8 1.2 None of the conditions described in California Public
9 Resources Code Section 21166 or Title 14 of the California Code of Regulations,
10 Section 15162, that call for the preparation of a subsequent or supplemental
11 environmental impact report have occurred:

12 1.2.1 There are no substantial changes in the Project, which
13 will or would require major revisions of the FEIR, due to the involvement of new
14 significant environmental effects or a substantial increase in the severity of
15 significant effects previously identified in the FEIR.

16 1.2.2 No substantial changes have occurred with respect to
17 the circumstances under which the Project will be undertaken, which will or would
18 require major revisions of the FEIR, due to the involvement of new significant
19 environmental effects or a substantial increase in the severity of the significant
20 effects previously identified in the FEIR.

21 1.2.3 No new information of substantial importance which
22 was not known and could not have been known with the exercise of reasonable
23 diligence, at the time the FEIR was certified as complete, has become available
24 which shows any of the following:

25 1.2.3.1 that the Project will have one or more
26 significant effects not discussed in the FEIR;

27 1.2.3.2 that significant effects previously examined will
28 be substantially more severe than shown in the FEIR;

1 1.2.3.3 that mitigation measures or alternatives
2 previously found not to be feasible would in fact be feasible, and would
3 substantially reduce one or more significant effects of the Project, but the Board
4 declines to adopt the mitigation measures or alternatives; or

5 1.2.3.4 that mitigation measures or alternatives which
6 are considerably different from those analyzed in the FEIR would substantially
7 reduce one or more significant effects on the environment, but the Board declines
8 to adopt the mitigation measures or alternatives.

9 Sec. 2. Subject to ratification by the Long Beach City Council, the
10 Executive Director of the Harbor Department of the City of Long Beach is hereby
11 authorized to execute the Agreement and Master Agreement as well as documents
12 referenced therein referred to in Section 1, as long as such documents are substantially
13 in the form presented to the Board all of which are hereby approved.

14 Sec. 3. The Director of Environmental Planning of the Long Beach Harbor
15 Department, whose office is located at 415 West Ocean Boulevard, Long Beach,
16 California 90802, is hereby designated as the custodian of the documents and other
17 materials which constitute the record of proceedings upon which the Board's decision is
18 based, which documents and materials shall be available for public inspection and
19 copying in accordance with the provisions of the California Public Records Act
20 (Government Code Sections 6250 and following).

21 Sec. 4. The Director of Environmental Planning shall file a notice of
22 determination with the County Clerk of the County of Los Angeles and with the state
23 Office of Planning and Research within five (5) working days after ratification by the Long
24 Beach City Council of the Agreement and Master Agreement.

25 Sec. 5. This ordinance is an emergency measure which shall take effect
26 immediately. This ordinance is urgently required because the City of Long Beach, a
27 municipal corporation, acting by and through its Board of Harbor Commissioners, needs
28 to expedite ratification by the City Council of this transaction in order to effectuate timely

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1 development of the Project and facilitate the transaction with the City of Los Angeles who
2 is attempting to timely develop its properties.

3 Sec. 6. This ordinance is an emergency ordinance duly adopted by the
4 Board on October 14, 2019 by a vote of at least three (3) of its members and shall take
5 effect immediately.

6 Sec. 7. This ordinance shall also be adopted by the Board as a regular
7 ordinance, to the end that in the event of any defect or invalidity in connection with the
8 adoption of this ordinance as an emergency ordinance, the same shall, nevertheless, be
9 and become effective on the thirty-first day after its final passage.



President

12 ATTEST: 

Secretary

15 I hereby certify that on a separate roll call and vote which was taken by the
16 Board of Harbor Commissioners of the City of Long Beach upon the question of the
17 emergency of this ordinance at its meeting of October 14, 2019 the ordinance was
18 declared to be an emergency by the following vote:

19
20 Ayes: Commissioners: Colonna, Bynum, Egoscue

21
22 Noes: Commissioners: _____

23 Absent: Commissioners: Lowenthal, Neal

24 Not Voting: Commissioners: _____

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I further certify that thereafter, at the same meeting, upon a roll call and vote on adoption of the ordinance, it was adopted by the Board of Harbor Commissioners of the City of Long Beach by the following vote:

Ayes: Commissioners: Colonna, Bynum, Egoscue

Noes: Commissioners: _____

Absent: Commissioners: Lowenthal, Neal

Not Voting: Commissioners: _____

I further certify that the foregoing ordinance was adopted by the Board of Harbor Commissioners of the City of Long Beach at its meeting of _____, 2019 by the following vote:

Ayes: Commissioners: _____

Noes: Commissioners: _____

Absent: Commissioners: _____

Not Voting: Commissioners: _____

Secretary

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 W. Ocean Boulevard, 9th Floor
Long Beach, CA 90802