



Los Angeles Councilwoman Janice Hahn
15th District, Los Angeles City Council
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Councilwoman Hahn Brokers Resolution Between Port of Los Angeles and Shipyard Builder

Councilwoman Janice Hahn today announced that she has negotiated a Memorandum of Understanding (MOU) between the Port of Los Angeles and each of Gambol Industries and the Los Angeles Conservancy, both of whom had appealed the EIR of the Port's Channel Deepening project, which will dredge the main channel and allow larger vessels to call on the Port.

Through talks facilitated by the Councilwoman, both Gambol Industries and the Los Angeles Conservancy reached a resolution with the Port in which they have dropped their appeals in exchange for a one year exclusive negotiation period, which will give Gambol the opportunity to work with the Port on a detailed business plan for their proposed shipyard at the Southwest Marine Terminal. For their part, the Los Angeles Conservancy will have the chance to preserve the existing historic shipyard facility for adaptive reuse.

"Negotiating this agreement was a very involved process for everyone, but it's been worth it, because we have finally paved the way for constructing a shipyard and creating new jobs right here in San Pedro, without delaying the channel deepening for even one minute, said Councilwoman Hahn."

"We look forward to working closely with the Port on a shipyard plan that could deliver well-paying clean energy jobs, renewed economic activity, and a new standard for environmental stewardship," said Bob Stein, President of Gambol Industries. "We wish to thank Councilwoman Janice Hahn for her indefatigable commitment to the Port and the people of Los Angeles."

The Port is free to move forward with the planned demolition work at the site of the slips, but will not initiate the construction of the foundation that would fill the slips before February of 2010, giving the Port and Gambol Industries ample time to pursue plans for a shipbuilding and repair facility. The Port has agreed to work closely with Gambol on these plans, and has committed to reporting monthly to the City Council's Trade Commerce and Tourism Committee on the status of the proposed project.

"This MOU allows our Channel Deepening project to stay on schedule - creating thousands of construction jobs in the near-term" added Port Executive Director Geraldine Knatz, Ph.D. "It also gives Gambol Industries the opportunity to flesh out the kind of business plan and project description that would be required to create a state-of-the-art ship building and repair facility -- which could ultimately be another job creation asset for the port and city."

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