



**THE PORT  
OF LOS ANGELES** LA

AMERICA'S PORT®

# Far East Wilmington

## Portfolio Performance Audit

Presented by:

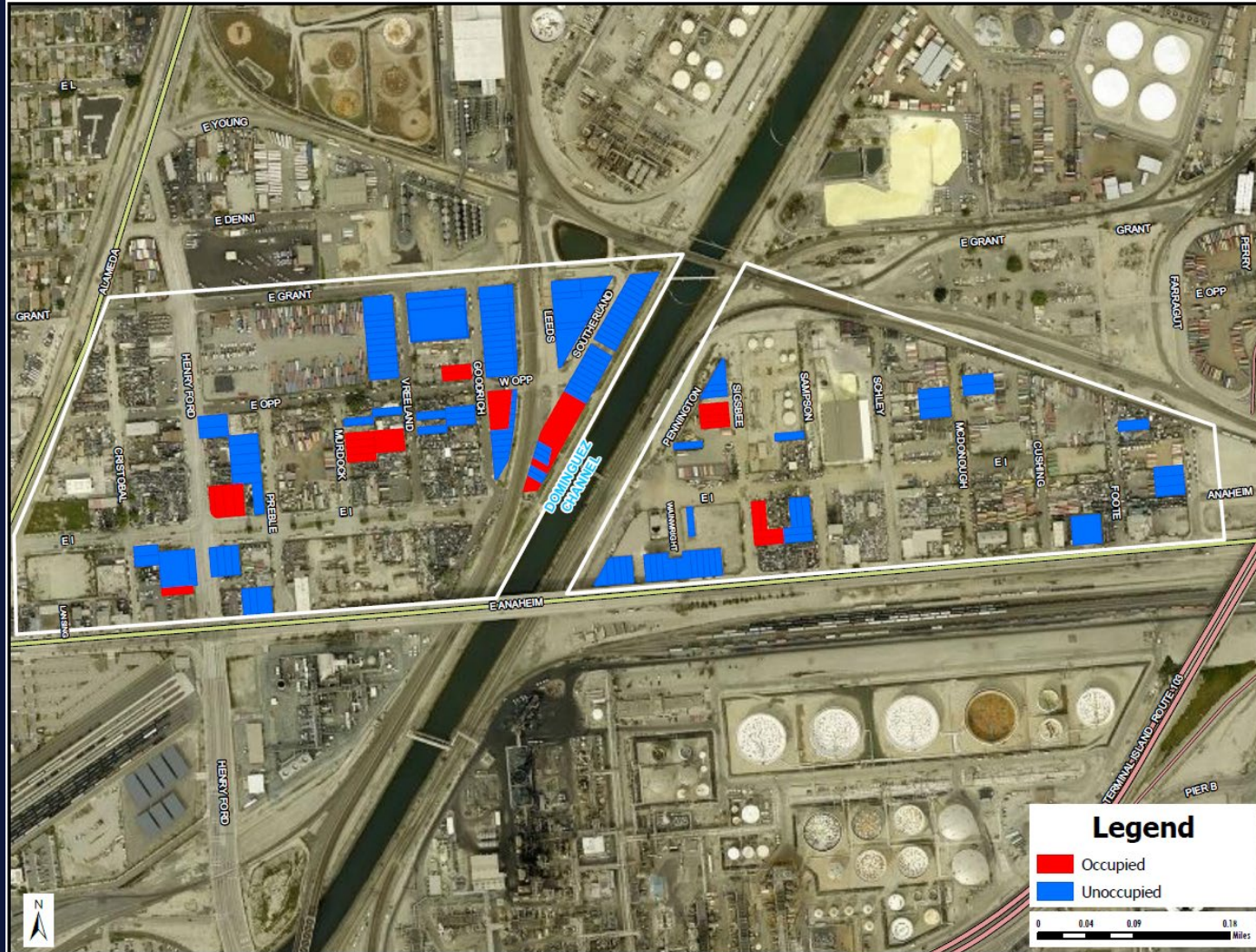
Marisa Katnich  
Director, Cargo and Industrial Real Estate

Presented to:

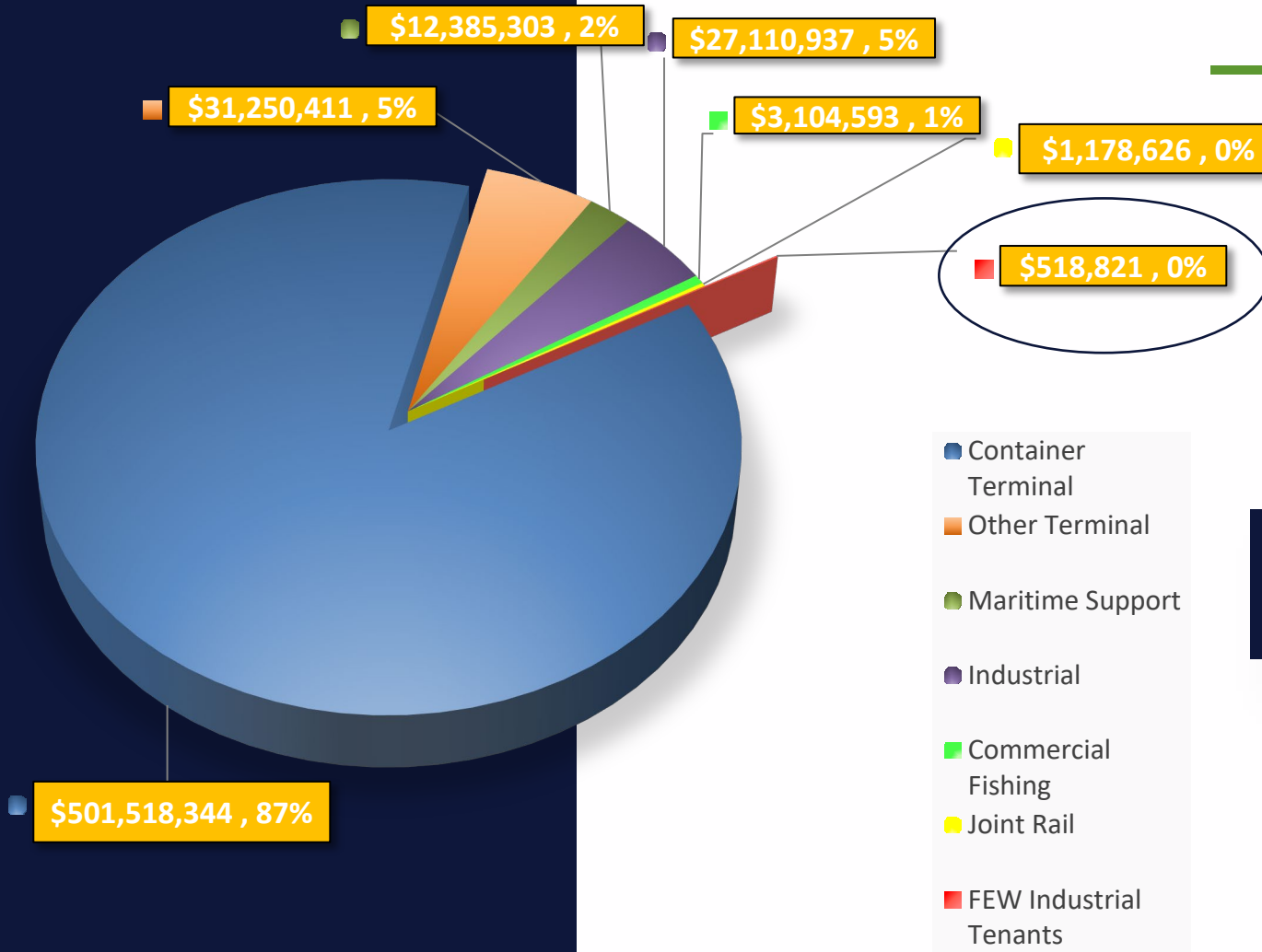
Audit Committee  
Board of Harbor Commissioners



# Far East Wilmington



- Acquisitions started in 1980s; program ceased in the 1990s to concentrate on B/C Street area and Knoll Hill
- Scattered ownership; 34 sites (169 parcels) - 3,000 sf to one acre in size
- 7 tenants + Warren wells located in subject area
- Issued an RFP in 2014 for a master lease; contract never materialized due to site assemblage challenges
- Issued a RFI in April 2025 for a master lease; no viable interest
- Staff recommends the Port divest of this portfolio, and reinvest proceeds to activate strategic assets



# Ownership Costs Outweigh Benefits

- Portfolio rent comprises <1% of Port's revenue (\$500K)
- \$1M+ to manage (maintenance, policing, management)
- High liability exposure
- Diverts resources from the Port's core functions and assets



# Next Steps

- May 2026 – Present portfolio performance audit to BHC Committee
- Summer 2026 – Present potential divestiture to BHC
- Fall 2026 – Commence administrative process for surplus sale
- Summer 2027 – Complete sale process

## Surplus sale process

### Declare Surplus

- Order title reports
- Sell remnant property to adjacent owners at FMV

### Offer to Agencies

- Notify public agencies
- Seek certification from State of CA, Housing & Community Development

### Seek Auction Approval

- Request approval of the Order for the notice to sell by auction
- Appraise fair market value of surplus properties

### Proceed with Sale

- Process sale contracts, deeds and other documents through escrow for City approval, signature and recordation

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# THANK YOU



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