



Executive Director's  
Report to the  
Board of Harbor Commissioners

**DATE: DECEMBER 17, 2025**

**FROM: WATERFRONT & COMMERCIAL REAL ESTATE**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - APPROVE THE ORDER  
RESETTING COMPENSATION UNDER PERMIT NO. 947 WITH PORT  
TOWN FOODS, LLC**

**SUMMARY:**

Staff requests approval of an order resetting compensation (Order) under Permit No. 947 (P947) with Port Town Foods, LLC (Port Town) for a two-year period plus the two one-year extension options, if exercised by the tenant, from July 20, 2025, through July 19, 2029. P947 grants Port Town the use of Stall No. 9 at the San Pedro Municipal Fish Market (Municipal Fish Market). P947 has a seven-year term with two one-year extension options, which may be exercised at the tenant's discretion.

Approval of the proposed Order will retroactively adjust annual compensation effective July 20, 2025, by \$1,544 or 2.28 percent from \$67,576 currently to \$69,120, as proposed. Effective July 20, 2026, and each July 20 thereafter, annual rent will increase by the year-over-year change in the Consumer Price Index (CPI), subject to a floor of zero percent.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Approve the Order resetting compensation under Permit No. 947 with Port Town Foods, LLC;
3. Authorize the Executive Director to execute and the Board Secretary to attest to the Order resetting compensation under P947; and
4. Adopt Resolution No. \_\_\_\_\_ and Order No. \_\_\_\_\_.

**SUBJECT: COMPENSATION RESET P947**

**DISCUSSION:**

Background – P947 with Certi-Fresh Foods, Inc. (Certi-Fresh) became effective on July 20, 2020 and entitled Certi-Fresh the right to use Harbor Department property known as Stall No. 9 at the Berth 72 Municipal Fish Market for the unloading of wet-fish products from commercial fishing vessels, the processing and loading of wet-fish products, wholesale fish, seafood and protein sales, and storage of materials related to the fishing industry and for purposes incidental thereto. The Municipal Fish Market (MFM) building consists of a common truck loading area, a common loading dock, a common wharf, a common restricted loading dock, a common restricted truck docking area, and 12 stalls. All tenants have non-exclusive use of the common areas and exclusive use of their assigned stalls. Rental amounts for all stalls at the MFM are set uniformly based on a market value of \$90 per square foot for the use of warehouse space for the loading/unloading and processing of wet-fish products/proteins and sales. Per the Port of Los Angeles Waterfront Leasing Guidelines, the \$90 per square foot market value is subject to a 12 percent rate of return, which results in a rate of \$10.80 per square foot per year.

On March 2, 2021, Certi-Fresh proposed to transfer P947 to Port Town, and this was approved by the Board in June 2021. The assignment of P947 from Certi-Fresh to Port Town resulted in the continuance of all operations allowed under P947.

P947 has a seven-year term with two one-year extension options, which may be exercised at the tenant's discretion. Unless the tenant decides to exercise its extension options, P947 is set to expire July 19, 2027. Port Town is a tenant in good standing.

Proposed Compensation Reset – P947 requires a compensation reset to be effective July 20, 2025. The proposed Order (Transmittal 1) is retroactive to be consistent with the City Charter and P947. Staff has negotiated the following retroactive rent schedule:

1. Commencing July 20, 2025, the annual rent will increase by \$1,544 or 2.28 percent from \$67,576 to \$69,120 for a monthly rent amount of \$5,760.

Effective July 20, 2026, and each annual adjustment date thereafter (including the extended option term), the annual rent will be subject to CPI adjustment.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of an Order under P947 with Port Town, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

SUBJECT: COMPENSATION RESET P947

**FINANCIAL IMPACT:**

Approval of the proposed Order will increase annual rent by \$1,544 or 2.28 percent from \$67,576 currently to \$69,120, as proposed. Effective July 20, 2026, and each July 20 thereafter, annual rent will increase by the year-over-year change in the CPI, subject to a floor of zero percent.

**CITY ATTORNEY:**

The Office of the City Attorney has approved the proposed Compensation Order as to form and legality.

**TRANSMITTAL:**

- 1. Compensation Reset Order

FIS Approval: JS  
 CA Approval: SO

*Michael J. Galvin*

MICHAEL J. GALVIN  
Director of Waterfront & Commercial Real Estate

*Michael DiBernardo*

MICHAEL DiBERNARDO  
Deputy Executive Director

APPROVED:

*Dina Aryan Zahlan*  
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 Executive Director

ES:MD:MG:HP:MS:jt  
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 BL1105jt Port Town Comp Reset P947