THE PORT OF LOS ANGELES
Executive Director's
Report to the
Board of Harbor Commissioners

DATE: **FEBRUARY 3, 2026**

FROM: **WATERFRONT & COMMERCIAL REAL ESTATE**

SUBJECT: **RESOLUTION NO. __________________ - APPROVE THE ORDER RESETTING COMPENSATION UNDER PERMIT NO. 920 WITH J&D SEAFOOD, INC.**

SUMMARY:

Staff requests approval of an order resetting compensation (Order) under Permit No. 920 (P920) with J&D Seafood, Inc. (J&D) for a five-year period from January 24, 2023, through January 23, 2028. Under P920, the City granted J&D the use of Stalls No. 5 and 6 at the San Pedro Municipal Fish Market (Municipal Fish Market). The initial term of P920 is eight years with two one-year extension options, which have been exercised by the tenant.

The proposed Order will retroactively adjust annual compensation as follows: effective January 24, 2023, from $101,418 to $114,240; effective January 24, 2024, from $114,240 to $120,960. Compensation under P920 is subject to annual adjustments, subject to the Consumer Price Index (CPI), with the most recent CPI adjustment occurring in January 2025.

RECOMMENDATION:

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

1. Find that the 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. 920 with J&D Seafood, Inc.;

3. Authorize the Executive Director to execute and the Board Secretary to attest to the Order resetting compensation under Permit No. 920; and

4. Adopt Resolution No. ___________________and Order No. _________________.

DISCUSSION:

Background – The City granted P920 to J&D, effective January 24, 2018, for the use of Stalls No. 5 and 6 at the Berth 72 Municipal Fish Market in San Pedro for the following purposes: unloading of wet-fish products from commercial fishing vessels; the processing and loading of wet-fish products; wholesale fish, seafood and protein sales; storage of materials related to the fishing industry; and for purposes incidental thereto. The Municipal Fish Market 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. In 2023, rental amounts for all stalls at the Municipal Fish Market were 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. Pursuant to 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.

The initial term of P920 is eight years with two one-year extension options, which have been exercised at the tenant's discretion, so P920 will expire on January 23, 2028. J&D is a tenant in good standing.

Proposed Compensation Reset – Under P920, compensation must be reset effective January 24, 2023. The proposed Order (Transmittal 1) is retroactive to be consistent with the City Charter and P920. Staff has negotiated the following retroactive rent schedule:

1. Commencing January 24, 2023, the annual rent will increase from $101,418 to $114,240 for a monthly rent amount of $9,520;
2. Commencing January 24, 2024, the annual rent will increase from $114,240 to $120,960 for a monthly rent amount of $10,080.

Effective January 24, 2025, 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 the Order under P920, 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.

FINANCIAL IMPACT:

Approval of the proposed Order will reset compensation under P920 with J&D retroactive to January 24, 2023. Under the proposed compensation reset, rent will be adjusted as follows: effective January 24, 2023, annual rent will increase by $12,822 or 12.64% from $101,418 to $114,240; effective January 24, 2024, annual rent will increase by $6,720 or 5.88% from $114,240 to $120,960. Annual compensation will continue to be subject to annual CPI adjustment.

CITY ATTORNEY:

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

TRANSMITTALS:

1. Proposed Order

FIS Approval: JS
CA Approval: JC

Michael J. Galvin
MICHAEL J. GALVIN
Director of Waterfront & Commercial Real Estate

Michael DiBernardo
MICHAEL DiBERNARDO
Deputy Executive Director

APPROVED:

Erica M. Calhoun for

EUGENE D. SEROKA
Executive Director

ES:MD:MG:HP:MS:jt
Author: Meagan Sestich
BL1106jt J&D Seafood, Inc. P920 Comp Reset