

0150-11071-0001

TRANSMITTAL

TO Eugene D. Seroka, Executive Director Harbor Department	DATE 08/27/2025	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT 15	

**RESOLUTION NO. 25-10575 AND ORDER NOS. 22-7334, 25-7403, AND 25-7404
APPROVING A RETROACTIVE FIVE-YEAR COMPENSATION RESET ON PERMIT NO. 919
AND A TRANSFER FROM H.S. SEAFOOD, INC. TO STANDARD FISHERIES
CORPORATION TO P.L.D. ENTERPRISES, INC. DBA SUPERIOR SEAFOOD COMPANY**

Approved and transmitted for further processing including Council consideration.
See the City Administrative Officer report attached.



MAYOR
(Jenny Delwood for)

Attachment
MWS:BC/JCY:JAS:10260048t

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: August 15, 2025

CAO File No. 0150-11071-0001

Council File No.

Council District: 15

To: The Mayor

From: Matthew W. Szabo, City Administrative Officer



Reference: Correspondence from the Harbor Department dated July 28, 2025; Resolution No. 25-10575 from the Board of Harbor Commissioners adopted at its July 17, 2025 meeting; referred by the Mayor for a report on July 28, 2025

Subject: **RESOLUTION NO. 25-10575 AND ORDER NOS. 22-7334, 25-7403 AND 25-7404 APPROVING A RETROACTIVE FIVE-YEAR COMPENSATION RESET ON PERMIT NO. 919 AND A TRANSFER FROM H.S. SEAFOOD, INC. TO STANDARD FISHERIES CORPORATION TO P.L.D. ENTERPRISES, INC. DBA SUPERIOR SEAFOOD COMPANY**

RECOMMENDATIONS

1. Approve Los Angeles Harbor Department (Harbor Department) Resolution No. 25-10575 and Order Nos. 22-7334, 25-7403 and 25-7404 for Permit No. 919 authorizing a retroactive transfer from H.S. Seafood, Inc. to Standard Fisheries Corporation, a retroactive compensation reset which was due at the five-year mark on March 1, 2023, and a transfer from Standard Fisheries Corporation to P.L.D. Enterprises, Inc. DBA Superior Seafood Company. The Orders will retroactively increase the annual rent paid as follows:
 - a. Effective March 1, 2023, increase by \$5,495 from \$43,465 to \$48,960,
 - b. Effective March 1, 2024, increase by \$2,880 from \$48,960 to \$51,840,
 - c. Effective March 1, 2025, and each annual adjustment date thereafter, the annual rent will be subject to annual changes in the Consumer Price Index;
2. Adopt the July 17, 2025 Board of Harbor Commissioners findings that the proposed actions are 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; and,
3. Authorize the Harbor Department Executive Director, or designee, to execute the three Orders, already approved as to form by the City Attorney, and return the Resolution and Orders to the Harbor Department for further processing, including Council consideration.

SUMMARY

The Los Angeles Board of Harbor Commissioners (Board) requests approval of its July 17, 2025 Resolution No. 25-10575 and Order Nos. 22-7334, 25-7403, and 25-7404 (Attachment 1) which authorize a retroactive transfer of Permit No. 919 (Permit) with the Los Angeles Harbor

Department (Harbor Department/Port), from H.S. Seafood, Inc. (H.S. Seafood) to Standard Fisheries Corporation (Standard Fisheries), a retroactive compensation reset which was due at the five-year mark of the Permit on March 1, 2023, and a transfer from Standard Fisheries to P.L.D. Enterprises, Inc. DBA Superior Seafood Company (Superior Seafood).

Order No. 22-7334 was approved by the Board on October 20, 2022 to transfer the Permit from H.S. Seafood to Standard Fisheries but it was not transmitted to Council for approval due to an administrative error. Order No. 25-7403 will retroactively increase the annual rent by \$5,495 from \$43,465 to \$48,960 effective March 1, 2023, and by \$2,880 from \$48,960 to \$51,840 effective March 1, 2024, subject to annual Consumer Price Index (CPI) adjustments annually thereafter. The five-year compensation reset, scheduled to occur on March 1, 2023, was extended for a prolonged period since the commercial fishing industry was continuing to recover from supply chain disruptions due to the global pandemic. Order No. 25-7404 authorizes the transfer of the Permit from Standard Fisheries to Superior Seafood with a \$9,000 transfer fee payable to the Harbor Department. All other terms and conditions of the Permit remain unchanged.

The Office of the City Attorney has reviewed and approved the three Orders as to form. Pursuant to Charter Section 606, Council approval is required due to the cumulative term of the Permit exceeding five years. Our Office has reviewed the request and recommends approval.

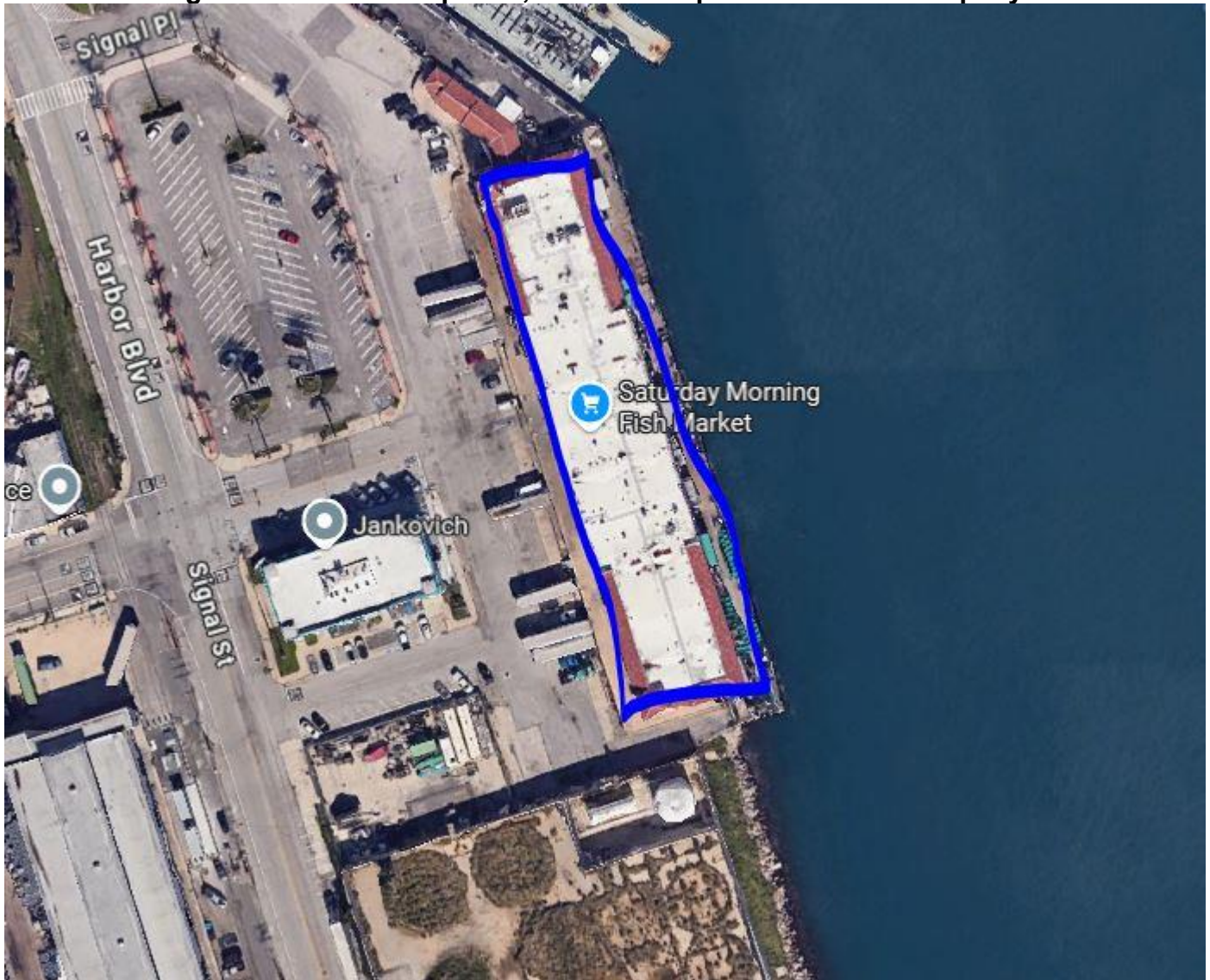
BACKGROUND

On February 28, 2018, Council approved the January 11, 2018 Board action (Resolution No. 18-8225) to authorize the original Permit with H.S. Seafood for the unloading of wet-fish products from commercial fishing vessels, processing and loading of wet-fish products, wholesale fish and seafood sales, and storage of materials related to the fishing industry (CF# 18-0120). The Permit was for a term of eight years, from March 1, 2018 through February 28, 2026, with two, one-year options to renew, for a potential total maximum term of 10 years.

Due to closure in 2017 of the Port's 65-year old centralized refrigeration equipment in the facility being rented by H.S. Seafood and other tenants, each tenant became responsible for and was allowed to acquire and install their own modern and efficient individual refrigeration system. Once the new refrigeration systems were installed, they became part of the building and are owned by the Port. The Port provided H.S. Seafood a monthly rent credit of \$600 for the initial 60 months of the Permit totaling \$36,000. In association with moving a portion of H.S. Seafood's business, including equipment, to the Port's Stall 4, the Port provided H.S. Seafood an additional monthly rent credit of \$2,500 for 24 months totaling \$60,000, resulting in a total of \$96,000 in rent credits. The tenant is solely responsible for the cost and expense to maintain and repair the individual refrigeration systems for the duration of the Permit.

Premises: The current premises comprises 41,340 square feet of Harbor Department property, which includes 4,800 square feet of exclusive use space within Stall 4 at the Berth 72 San Pedro Municipal Fish Market, and nonexclusive use of approximately 36,540 square feet of Port property for wharfs, loading docks, and a parking area, located at 2196 Signal Place, San Pedro, CA 90731. Superior Seafood is one of the tenants in the San Pedro Municipal Fish Market facility and occupies one of the 12 stalls in a two-story building. See Figure 1 below.

Figure 1: P.L.D. Enterprises, Inc. DBA Superior Seafood Company



Note: Superior Seafood is located within the San Pedro Municipal Fish Market. Refer to Transmittal 1 in Attachment 1 for a larger map.

Previous Board Action and Order for Transfer of Permit: Order No. 22-7334 was approved by the Board on October 20, 2022 through Resolution No. 22-10074 to transfer/assign the Permit from H.S. Seafood to Standard Fisheries. At the time of the transfer request, H.S. Seafood was behind on rent due to the Covid-19 Pandemic. This resulted in a \$15,000 Settlement Agreement paid by H.S. Seafood and an Assignment Fee of \$18,829 paid by Standard Fisheries to the Harbor Department prior to the transfer.

Current Board Action and Orders: Order No. 25-7403 will retroactively increase compensation, detailed later in this report, and Order No. 25-7404, approved by the Board through Resolution No. 25-10575 on July 17, 2025, will transfer/assign the Permit from Standard Fisheries to Superior Seafood, a wholesale seafood distributor formed in 1996. This will result in the continuance of all

operations allowed under the Permit. All other terms and conditions of the Permit remain the same.

Compensation: Compensation under the Permit includes base rent subject to the annual CPI and five-year readjustments. Negotiations for the five-year compensation reset were prolonged as many industries, including the commercial fishing industry, were still recovering from supply chain disruptions due to the global pandemic.

Order No. 25-7403 will retroactively increase the minimum annual rent by \$5,495 from \$43,465 to \$48,960 effective March 1, 2023, and by \$2,880 from \$48,960 to \$51,840 effective March 1, 2024. Effective March 1, 2025 and every year thereafter, minimum annual rent will be subject to increases in the CPI. The proposed rent increases will bring the rent up to current market value.

Per the terms of Permit Section 113.7, the tenant is required to pay an Assignment Fee when the Permit is transferred to a different company, with approval from the Board. The Assignment Fee is equal to ten percent of the remaining economic value of the leasehold interest as a result of the use of the Premises. The Harbor Department estimated the remaining value of the Permit to be approximately \$90,000, therefore the Assignment Fee is \$9,000. Superior Seafood has agreed to pay this fee as part of the transfer of the Permit to the new owner.

CITY COMPLIANCE

California Environmental Quality Act (CEQA): On July 17, 2025, the Board determined that the proposed actions of approving the Orders to reset compensation and transfer the Permit to a new company are administrative activities. Therefore, the Director of Environmental Management has determined that the proposed actions are administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

The Office of the City Attorney has reviewed and approved the three proposed Orders as to form. Pursuant to Charter Section 606, Council approval is required due to the cumulative term of the Permit exceeding five years. Our Office has reviewed the request and recommends approval.

FISCAL IMPACT STATEMENT

There is no impact on the City's General Fund. Approval of the Orders for Permit No. 919 will reflect a transfer to a new company and retroactively reset compensation. The annual rent will increase by \$5,495, from \$43,465 to \$48,960 effective March 1, 2023, and by \$2,880, from \$48,960 to \$51,840 effective March 1, 2024. Thereafter, annual compensation will be subject to increases in the Consumer Price Index, effective March 1, 2025. The Harbor Department will receive a one-time Assignment Fee in the amount of \$9,000 for the company change. Revenues will be deposited in the Harbor Revenue Fund. The recommendations in this report and proposed actions comply with the Harbor Department's Financial Policies.

Attachment 1 – Harbor Department Correspondence dated July 28, 2025; Harbor report and proposed Resolution No. 25-10575 dated July 2, 2025, and proposed Order Nos. 22-7334, 25-7403, and 25-7404