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3/26/26

RECOMMENDATION APPROVED;
RESOLUTION 26-10693 (PERMIT 915) ADOPTED;
BY THE BOARD OF HARBOR COMMISSIONERS



Executive Director's
Report to the
Board of Harbor Commissioners

March 26, 2026

AMKlesges
AMBER M. KLESGES
Board Secretary

DATE: FEBRUARY 25, 2026
FROM: WATERFRONT & COMMERCIAL REAL ESTATE
SUBJECT: RESOLUTION NO. 26-10693 - APPROVE NINTH AMENDMENT TO
LEASE NO. 915 WITH SAN PEDRO PUBLIC MARKET, LLC

SUMMARY:

Staff requests approval of the Ninth Amendment (Ninth Amendment) to Lease No. 915 (Lease) between the City of Los Angeles Harbor Department (Harbor Department) and San Pedro Public Market, LLC (SPPM). The Ninth Amendment incorporates updated environmental mitigation measures per the certified 2025 Supplemental Environmental Impact Report (SEIR); adds new operational limitations; updates long-term upgrade obligations associated with repair, renewal or replacement of improvements; and updates Exhibit E to include new Lessee improvements.

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 has been previously evaluated pursuant to the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(i) of the Los Angeles City CEQA Guidelines;
2. Approve the proposed Ninth Amendment to Lease No. 915 with San Pedro Public Market, LLC;
3. Direct the Board Secretary to transmit the Ninth Amendment to Lease No. 915 to the City Council pursuant to Charter Section 607;
4. Authorize the Executive Director to execute and the Board Secretary to attest to the Ninth Amendment to Lease No. 915 upon approval by City Council; and
5. Adopt Resolution No. 26-10693.

SUBJECT: NINTH AMENDMENT TO LEASE NO. 915 WITH SPPM

DISCUSSION:

Background - On June 10, 2016, the Board approved the Lease with SPPM for redevelopment of the site formerly known as Ports O' Call in San Pedro. City Council subsequently approved the Lease on June 17, 2016. Since then, the Lease has been amended eight times to address financing, schedule adjustments, operational requirements and various other Lease modifications.

In June 2025, the Board certified the Supplemental Environmental Impact Report (SEIR) for the West Harbor Modification Project (SCH No. 2005061041), which introduced new and modified mitigation measures to reduce environmental impacts during construction and operation of the amphitheater and related facilities.

Proposed Changes - The Ninth Amendment incorporates these SEIR requirements into the Lease as well as other changes as follows:

- Fireworks Limitation: Caps fireworks shows at five (5) per year, with strict compliance to noise mitigation measures in Exhibit K(a).
- Upgrade Obligations: Requires the Executive Director and Lessee to negotiate in good faith regarding additional capital investments no later than 20 years after opening (expected June 2026). Future negotiations for additional capital investments may include capital expenditures by SPPM and/or the Harbor Department as well as associated rent adjustments required to recapture any additional capital expenditures. Any future adjustments will require Board and City Council approval.
- Exhibit K(a), Summary of Mitigation Measures For San Pedro Waterfront Addendum replaces prior Exhibit K and includes detailed mitigation measures for air quality, biological resources, marine mammal monitoring, noise and event restrictions, biodegradable product requirements, and transportation demand management strategies and public services.
- Exhibit E(b) replaces Exhibit E(a) with updated map depicting new Lessee improvements.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of the Ninth Amendment to Lease No. 915, which is an activity for which the underlying project has been previously assessed in the San Pedro Waterfront Project Environmental Impact Report (SPW EIR) (SCH# 2005061041), which was certified by the Board on September 29, 2009, the Addendum to the SPW EIR for the San Pedro Public Market Project considered by the Board on May 19, 2016, and the Addendum to the SPW EIR for the San Pedro Public Market 2 considered by the Board on November 21, 2019. Therefore, the Director of Environmental Management has determined that the proposed action has been previously evaluated pursuant to the requirements of CEQA in accordance with Article II Section 2(i) of the Los Angeles City CEQA Guidelines.

DATE: FEBRUARY 25, 2026

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FINANCIAL IMPACT:

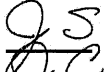
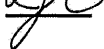
The changes proposed under the Ninth Amendment are administrative in nature. Article 2, Section 9.2, Upgrade Obligations, would require the Harbor Department and Lessee to negotiate in good faith regarding additional capital investments and rent adjustments no later than 20 years after opening (expected June 2026). However, the Ninth Amendment only adjusts the timing of this obligation and does not create any additional financial impact.

CITY ATTORNEY:

The proposed Ninth Amendment has been reviewed and approved as to form and legality by the Office of the City Attorney.

TRANSMITTAL:

1. Ninth Amendment

FIS Approval: 
CA Approval: 

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

Dina Aryan-Zahlan
DINA ARYAN-ZAHLAN, P.E.
Deputy Executive Director

APPROVED:

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EUGENE D. SEROKA
Executive Director

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