

**Presented by
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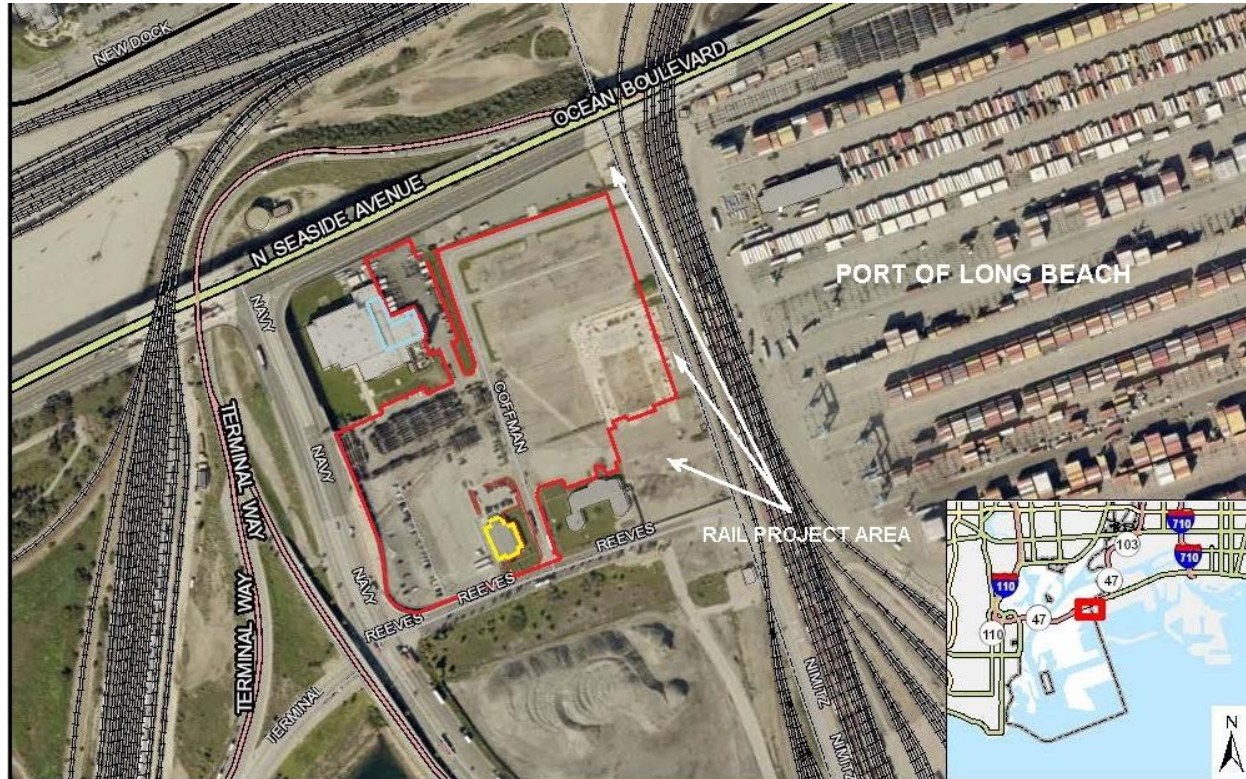


Pacific Crane Maintenance Company, LLC Proposed Term Permit No. 954

**THE PORT
OF LOS ANGELES** 

August 19, 2021

PCMC – Proposed Permit



- Staff recommends approval of Permit No. 954 with PCMC for premises on Reeves Ave. to operate a chassis support facility
- Current action follows a solicitation in which PCMC was selected in 2018 as the successful proposer for the subject site
- The project has a number of benefits
 1. Leverages a landside asset to improve on-terminal operational efficiency
 2. Secures new revenue source on formerly vacant land
 3. Enables improvements to site infrastructure

Material Terms

	Description
Premises	<ul style="list-style-type: none"> – 12.62 acres – Former Naval Reserve Training Center Site
Term	<ul style="list-style-type: none"> – Initial term through July 31, 2027 – Three, five-year extension options exercisable by tenant, subject to certain conditions and payment of an extension fee
Rent	<ul style="list-style-type: none"> – Year 1: \$2.02MM – Year 2: \$2.17MM – Aggregate for initial 5-year term: ~\$11.11MM (before credits)
Rent Adjustments	<ol style="list-style-type: none"> 1. Fixed increase of 7.6% effective July 1, 2022. 2. >CPI or 2% increase effective July 1, 2023 and annually thereafter 3. Five-year rental rate adjustment
Tenant Improvement Credit	Maximum of \$1,966,908, for approved tenant improvements and design costs
Standard Provisions	<ul style="list-style-type: none"> – Maintenance – Insurance – Security Deposit