

SECOND AMENDMENT TO PERMIT NO. 907
BETWEEN THE CITY OF LOS ANGELES AND
SSA PACIFIC, INC.

PERMIT NO. 907 ("Permit No. 907" or "Permit") by and between the CITY OF LOS ANGELES ("City") acting by and through its Board of Harbor Commissioners ("Board") and SSA PACIFIC, INC. ("Tenant") is hereby amended a second time, with respect to the following:

WHEREAS, the City and Tenant entered into Permit No. 907 commencing November 1, 2012;

WHEREAS, the City and Tenant amended Permit No. 907 by means of a written First Amendment (the "First Amendment") on January 4, 2017 which reduced the size of the subject premises as set forth therein;

WHEREAS, Article 1, Section 3.2.1 of Permit No. 907 provides, in pertinent part, that the term of the Permit shall expire on October 31, 2017;

WHEREAS, Article 2, Section 18.5 of Permit No. 907 provides, in pertinent part, that the Permit may be modified only by written agreement of the parties; and

WHEREAS, City and Tenant seek to extend the term of Permit No. 907;

WHEREFORE, City and Tenant agree to amend Permit No. 907 a second time, as follows:

1. Article 1, Section 3.2 Term is amended by deleting Subsections 3.2.1, 3.2.2 and 3.2.3, and replacing Subsection 3.2 with the following:

"3.2 Term. The Term of this Agreement shall be for ten (10) years commencing on November 1, 2012, and expiring on October 31, 2022 ("Expiration Date"), unless sooner terminated in accordance with this Agreement."

2. The following subsection (i) is added after Article I, Section 4.2.1(a):

"(i) Preferential Use Period: Effective November 1, 2017, the Minimum Annual Guarantee ("MAG") shall be Four Hundred Ten Thousand Seven Hundred Forty-Nine Dollars (\$410,749.00). The MAG shall be paid in five equal monthly payments of Eighty-Two Thousand One Hundred Forty-Nine Dollars and Eighty Cents (\$82,149.80) due on the first day of each Preferential Use Month, in advance, ("Minimum Monthly Rent"). Minimum Monthly Rent shall continue to be adjusted annually by CPI throughout the term of this Agreement on the Annual Adjustment Date as set forth in Section 4.3.1 of the Agreement.

3. Article 2, Section 9 Default and Termination is amended by adding Subsection 9.4:

"9.4 Termination by Tenant. Starting November 1, 2019, and continuing through the Expiration Date, Tenant may terminate this Agreement, without penalty, upon sixty (60) days' written notice to City if, in Tenant's informed business judgment, the seasonal importation of Chilean fruit is no longer financially viable to Tenant. A termination under this subsection shall not be considered a default by the Tenant under Article 2, Section 9."

Except as amended herein, all other terms and conditions of Permit 907 as amended by the First Amendment shall remain the same.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to Permit No. 907 on the date to the left of their signatures.

THE CITY OF LOS ANGELES, by its Board of Harbor Commissioners

Dated: _____, 2017


By _____
Executive Director

SSA PACIFIC, INC.,
a Washington corporation

Dated: April 20, 2017

By 

Its MARK KNUDSEN/PRESIDENT
Type/Print Name and Title of Officer

Attest 

Its Secretary
Type/Print Name and Title of Officer

APPROVED AS TO FORM AND LEGALITY

April 28, 2017

MICHAEL N. FEUER, City Attorney
Janna B. Sidley, General Counsel

By 
Estelle M. Braaf, Deputy