



**Office of the Mayor  
City of Los Angeles**

**ANTONIO R. VILLARAIGOSA**

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**Contact:** Vicki Curry  
vicki.curry@lacity.org

## **MAYOR VILLARAIGOSA ANNOUNCES MAJOR LEASE AGREEMENT FOR PORT OF LOS ANGELES**

*As a result of the Mayor's recent trip to Beijing, marine transport company Yang Ming extends lease by 9 years at Port of Los Angeles*

**LOS ANGELES** – Mayor Antonio Villaraigosa announced today the signing of an agreement with Yang Ming, a marine transport company, to extend its lease at the Port of Los Angeles for an additional nine years. Yang Ming's current lease at the West Basin Container Terminal ends in 2021; with this agreement, it extends to 2030 and represents additional Port revenues of between \$365 and \$525 million, depending on cargo volumes.

In conjunction with the lease extension, Mayor Villaraigosa signed a Memorandum of Understanding Tuesday in Beijing to expand and modernize the Yang Ming terminal facilities at the Port. As part of the agreement, the Port will invest \$122 million in improvements at the terminal, including construction of a new 1,260 linear foot wharf at Berths 126-129, dredging to a depth of -53 feet at the newly constructed wharf, and expansion of the West Basin Intermodal Container Transfer Facility. The West Basin Container Terminal is a partnership between Yang Ming, China Shipping, and Ports America.

"I am happy this agreement will allow the largest, most modern ships to call at Yang Ming and provide cargo growth over the next 17 years," said Mayor Villaraigosa. "The Port is an economic driver for our region, and its success translates to jobs here in Los Angeles. With two previous trade missions in 2006 and 2011, we worked to develop strong ties with our partners in China. With this latest trip, we have ensured our relationships remain vibrant."

"This agreement and lease extension ensures that West Basin Container Terminals will increase its global competitiveness with expanded facilities to handle more cargo," said Port of Los Angeles Executive Director Geraldine Knatz. "The Port had been making progress on these negotiations, but it was this trade mission and the Mayor's leadership that closed this

important deal.”

China is Los Angeles’ number one trading partner, representing 39.4 % of LA’s total global trade numbers. The export sector supports 312,677 local production jobs, and every \$1 billion in new exports creates more than 6,000 good jobs for Angelenos. In 2012, China’s total trade with the LA Customs District was \$159,261,157,840.

Los Angeles has made significant investments in its infrastructure in order to remain competitive in the global economy. The \$122 million modernization of the Yang Ming terminal facilities will complement the Port’s \$1.2 billion investment to update terminals, increase rail capacity, and deepen the main channel to allow ships to reach a 53-foot depth and increase the seaborne trade coming through LA.

Mayor Villaraigosa traveled with executives from the Port of Los Angeles, Los Angeles World Airports, and the Los Angeles Tourism and Convention Board to Beijing, China May 26–29, 2013.

During this trip, Mayor Villaraigosa met with Chinese President Xi Jinping, Beijing Mayor Wang Anshun, Vice Minister Xia Xinghua of the Civil Aviation Administration of China, Air China President Cai Jianjiang, and Dalian Wanda Chairman Wang Jianlin. The delegation also held events designed to boost tourism to Los Angeles and encourage companies to locate in LA and invest in our local companies.

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