

ORDER NO.

An Order of the Board of Harbor Commissioners ("Board") of the City of Los Angeles ("City") resetting the compensation to be paid by the 22<sup>nd</sup> Street Landing Partners, L.L.C. ("Tenant") pursuant to PERMIT No. 624 (the "PERMIT") for the periods of (i) November 27, 2002 through November 26, 2007; (ii) November 27, 2007 through November 26, 2012; (iii) November 27, 2012 through November 26, 2017.

WHEREAS, Section 4(k) of the PERMIT provides for the readjustment of rent to be paid by Tenant to City for each five year period following the first five years of the term of the PERMIT;

WHEREAS, Board and Tenant have agreed on a rate of compensation to be paid by Tenant during the five-year periods of. (i) November 27, 2002 through November 26, 2007; (ii) November 27, 2007 through November 26, 2012; (iii) November 27, 2012 through November 26, 2017.

NOW, THEREFORE, IT IS HEREBY ORDERED by the Board of Harbor Commissioners of the City of Los Angeles, as follows:

Section 1. For the five-year period beginning on November 27, 2002 and ending on November 26, 2007, Tenant shall pay to City as rental for the use of the premises the total sum of Six Hundred Ninety Eight Thousand Fifty Three Dollars and Forty-Seven Cents (\$698,053.47).

Section 2. For the five-year period beginning on November 27, 2007 and ending on November 26, 2012, Tenant shall pay to City as rental for use of the premises the total sum of Six Hundred Sixteen Thousand Eight Hundred Fifty Six Dollars and Eleven Cents (616,856.11).

Section 3. For the five-year period beginning on November 27, 2012 and ending on November 26, 2017, Tenant shall pay to City as rental for the use of the premises as follows:

- a. For the period from November 27, 2012 through November 26, 2013, the total sum of One Hundred Fifty Eight Thousand Eight Hundred Forty Five Dollars and Eighty-Seven Cents (158,845.87);
- b. For the period from November 27, 2013 through November 26, 2014, the total sum of Two Hundred Twenty Six Thousand Four Hundred Fifty Dollars and Twelves Cents (226,450.12);
- c. For the period from November 27, 2014 through November 26, 2015, the total sum of Two Hundred Eighty Thousand Eight Hundred Forty Five Dollars and Fifty-One Cents (\$280,845.51);

- d. For the period from November 27, 2015 through November 26, 2016, a fixed minimum annual amount of One Hundred Forty Six Thousand One Hundred Eleven Dollars and Ninety-Seven Cents (\$146,111.97) paid monthly as the fixed minimum monthly rent. In the amount of Twelve Thousand One Hundred Seventy Six Dollars (\$12,176.00) per month.
- e. For the period from November 27, 2016 to November 26, 2017, a fixed minimum annual amount of One Hundred Forty Six Thousand One Hundred Eleven Dollars and Ninety-Seven Cents (\$146,111.97) adjusted upward by the annual CPI (defined below), paid monthly as the fixed minimum monthly rent.
- f. Beginning November 27, 2016 and annually thereafter on November 27 (which dates shall be referred to individually as the "Adjustment Date"), the fixed minimum monthly rent shall be adjusted to reflect the percentage increase (but not any decrease), if any, in the Consumer Price Index, all Urban Consumers of the Los Angeles-Riverside-Orange County, California area, 1982-84=100, as published by the U.S. Department of Labor, Bureau of Labor Statistics ("CPI") or successor index selected by the Executive Director in his or her sole reasonable discretion. Such adjusted amount of rent shall be equal to the product obtained by multiplying the rental amount in effect on the Adjustment Date by a fraction, the numerator of which is the September CPI index on the Adjustment Date and the denominator of which for the first adjustment is the September CPI Index for the prior calendar year and for all subsequent adjustments through the tenancy is the September CPI index of the prior Adjustment Date.

The formula illustrating the adjustment computation is as follows:

$$\text{Adjusted Rent} = \text{Rent as of Adjustment Date} \times \frac{\text{Sept. CPI Index of Adjustment Date}}{\text{CPI Index of Sept. 2015 or Prior Adjustment Date}}$$

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Section 4. Beginning November 27, 2015 and monthly thereafter, Tenant shall pay to City for each and every month of the rental period, the following percentage rents equivalent to the amount, if any, by which the cumulative total of percentages of the gross receipts exceeds the fixed minimum monthly rent payable.

Percentage	Description
5%	Food & Beverages at Snack Bar
3%	Food in Restaurant
5%	Beverages in Restaurant
1%	Boat Sales
10%	Insurance Brokerage Commission
5%	Boat Rentals
5%	Boat Chartering & Rentals 24hr+
5%	Ship Chandlery & Bait Sales
5%	General Retail Sales
25%	Compensation for 3 <sup>rd</sup> Party Vending Machines
5%	Tenant Owned Vending Machines
5%	All Other Activities

Section 5 The increased amount of fixed minimum monthly rent as a result of this Order for the period prior to this Order shall be due and payable within thirty (30) days of the effective date of this Order. Except as provided herein, all other terms and conditions of Permit No. 624 shall remain in full force and effect.

Section 6. The party(ies) signing below on behalf of Tenant have authority to do so. Tenant's signature may be executed in counterparts.

Section 7 The Board Secretary shall certify to the adoption of this Order by the Board of Harbor Commissioners of the City of Los Angeles.

I HEREBY CERTIFY that the foregoing Order was adopted by the Board of Harbor Commissioners of the City of Los Angeles at its meeting held \_\_\_\_\_.

\_\_\_\_\_  
Board Secretary

APPROVED AS TO FORM AND LEGALITY

April 25, 2016

MICHAEL N. FEUER, City Attorney

Janna B. Sidley, General Counsel

By

Estelle M. Braaf  
Estelle M. Braaf, Deputy

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22<sup>nd</sup> Street Landing Partners, L.L.C. hereby consents to the foregoing readjustment of compensation as described above and agrees to pay to the Board of Harbor Commissioners of the City of Los Angeles the annual compensation as set forth herein for the following five-year periods: (i) November 27, 2002 through November 26, 2007; (ii) November 27, 2007 through November 26, 2012; (iii) November 27, 2012 through November 26, 2017.

22<sup>nd</sup> Street Landing Partners, L.L.C.,  
a California limited liability company

By: 

Paul Strasser Member  
(Print/Type Name and Title of Member/Officer)

Attest: 

Richard R. MANNA Manager  
(Print/Type Name and Title of Member/Officer)

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a California limited liability company

By: X Richard R. Mannila

Richard R. Mannila Manager  
(Print/Type Name and Title of Member/Officer)

Attest: Paul Strasser

Paul Strasser Member  
(Print/Type Name and Title of Member/Officer)