SECTION EIGHT
SPACE ASSIGNMENTS

SPACE ASSIGNMENT

The Executive Director shall have the authority to grant nonexclusive space assignments for use of harbor lands and waters to assignees on the following terms and conditions:

1) Space assignments shall be granted on the Port's standard space assignment forms and shall describe the area granted.

2) Space assignments for the assembly or storage of merchandise or for other purposes stated below may be issued for a thirty (30) day period. Upon application and if conditions and circumstances warrant, one or more renewals for an additional thirty (30) days or longer or shorter period may be granted.

3) The primary charges for all space assignments are those set forth in Item 810. Any other tariff charges applicable shall also be paid. Charges shall begin to accrue on the day the space assignment is made available for assignee's occupancy.

4) Property placed in a space assignment area shall be stored, stacked, palletized, or high piled in accordance with all applicable local, state and federal laws, rules and regulations, including environmental review. The Executive Director or their designee shall have the right to access, inspect, examine and to review all property placed on wharf premises under a space assignment.

5) The grant of such assignment shall not interfere with the prompt loading or discharging of vessels.

6) The provisions of Item Nos. 780 and 790 shall not apply to merchandise resting within an area designated as a space assignment area.

(a) Space Assignment Areas Within an Assignee's Existing Premises

So that a Department assignee may be granted the Tariff Item 800 space assignment rate rather than the otherwise applicable demurrage and wharf storage rate, the Executive Director may grant a space assignment area within premises held by an assignee under another agreement with City for purposes relating to the operation of the premises, or for the purposes of operating a container freight station (CFS) if unusual circumstances exist with respect to the assembly or distribution of the merchandise and if space available. Space assignments granted for these purposes shall be subject to the terms and conditions of any agreement in effect for the premises covered by this space assignment.

See Item 10 for explanation of abbreviations and symbols.
(b) Space Assignment Outside an Assignee’s Existing Premises

The Executive Director may grant a space assignment for areas outside premises held by an assignee under another agreement with City for purposes relating to the operation of the premises, including but not limited to cargo related purposes, storage of terminal related equipment or chassis, or for the purpose of operating a container freight station (CFS) if assignee in writing first requests the Executive Director to assign an additional area. The original request and each request for an extension shall state why existing premises held by assignee are insufficient and how long assignee expects to need the space assignment area. All charges due for use of space assignments granted pursuant to this section shall be paid in full and are not subject to the compensation provisions of other agreements assignee may have with City.

(c) Space Assignments Granted to Port Users Who are Not Current Assignees

Executive Director may grant space assignments to Port users who are not currently assignees for cargo related purposes or other purposes as permitted by the Charter of the City of Los Angeles so long as such other purposes are permitted by the tide and submerged land grants which regulate the use of lands within the Harbor District.

RATES FOR SPACE ASSIGNMENT

Rates for space assignment granted in accordance with the provisions of Item No. 800 shall be as follows (subject to Notes 1 - 6):

<table>
<thead>
<tr>
<th>Space Assignment Rate Schedule</th>
<th>(Rates in Cents per Sq. Ft. per 30-day Period)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Effective Date</strong></td>
<td>1/1/2021</td>
</tr>
<tr>
<td><strong>Type of Area</strong></td>
<td></td>
</tr>
<tr>
<td>Covered</td>
<td>65</td>
</tr>
<tr>
<td>Uncovered, paved</td>
<td>31</td>
</tr>
<tr>
<td>Uncovered, unpaved</td>
<td>28</td>
</tr>
<tr>
<td>Water Area</td>
<td>11</td>
</tr>
</tbody>
</table>

*Effective January 1, 2023, and annually thereafter, the space assignment rates will be adjusted as of January 1 automatically without further notice to reflect the percentage increase of the greater of: (a) Two Percent (2%) or (b) the percentage increase (but not any decrease), if any, in the West Region Consumer Price Index, all Urban Consumers (“CPI”) as adopted by the California Association of Port Authorities (CAPA), or successor index selected by Executive Director in his or her sole reasonable discretion. Such adjusted space assignment rates shall be equal to the product obtained by multiplying the existing space assignment amount in effect by the applicable adjustment factor.
on the Annual Adjustment Date by a fraction, the numerator of which is the CPI index in effect for the month of November immediately preceding the Annual Adjustment Date, (the “Adjustment Index”) and the denominator of which is the CPI index as it stood on the same month of the prior year (the “Base Index”). For accounting purposes, the Annual Adjustment shall be rounded to the nearest penny per square foot per month. The minimum increase for the four types of space assignment areas listed in the above table will be one cent per year ($0.01).

Minimum charge: $750.00 per thirty (30) day period per space assignment. Effective January 1, 2023, the rate will increase by 2% or by the percentage increase, if any, of the Consumer Price Index (CPI) as stated above.

Note 1: Charges are due and payable in advance on the first day of each 30 day period, with the exception of assignees placed on the Port’s Credit List (See Item No. 260, Credit List.)

Note 2: If a space assignment exceeds thirty (30) days or is revoked by the Executive Director, charges will be prorated on a daily basis.

Note 3: Water area shall be measured outboard from the waterfront edge of a wharf if a wharf location is involved or from the high tide line if a wharf is not located at the site.

+Note 4: In addition to the above rates, fenced areas will be assessed at $2.10 per linear foot per month. Effective January 1, 2023, the rate will increase by 2% or by the percentage increase, if any, of the Consumer Price Index (CPI) as stated above.

+Note 5: In addition to the above rates, lighting will be assessed at $0.030 per square foot per month. Effective January 1, 2023, the rate will increase by 2% or by the percentage increase, if any, of the Consumer Price Index (CPI) as stated above.

+Note 6: This Section (Section 8) shall be exempt from any general rate increase, which from time to time may be implemented through periodic adjustments. This does not prohibit the adjustment of Space Assignment rates through amendments to this Section.

See Item 10 for explanation of abbreviations and symbols.