

THIRD AMENDMENT
TO THE
LEASE AGREEMENT FOR SITE 6B
BETWEEN THE UNITED STATES OF AMERICA
AND THE CITY OF LOS ANGELES

THIS THIRD AMENDMENT to the Lease Agreement for Site 6B (hereinafter "Lease Agreement"), is made on this ___ day of _____, 2015, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, Base Realignment and Closure Program Management Office (BRAC PMO), San Diego, California, hereinafter called the "Navy", and the CITY OF LOS ANGELES, acting by and through its Board of Harbor Commissioners of the Port of Los Angeles, San Pedro, California, hereinafter called the "Port".

WITNESSETH:

WHEREAS, the Navy and the Port entered into a Reciprocal Lease Agreement (No. N6247479RP00A47) on September 21, 1979, where the Port leased to the Navy property identified as Parcel 1, on which parcel the Navy constructed and operated the Naval & Marine Corps Reserve Center, Los Angeles, California ("NMCRC Los Angeles") until it was subsequently vacated in Spring of 2010; and

WHEREAS, in exchange for use of Parcel 1 under the Reciprocal Lease Agreement, the Navy leased to the Port property identified as Parcel 2 (also commonly referred to, and hereinafter referred to, as "Site 6B"), for use in the Port's shipping terminal operations; and

WHEREAS, the Reciprocal Lease was amended a first time effective September 1, 1995, to allow for construction of access roads of portions of Parcel 1; and

WHEREAS, the Reciprocal Lease was amended a second time effective January 11, 2012, to, among other things, terminate the Navy's leasehold interest in Parcel 1 and return possession of the parcel to the Port; and

WHEREAS, because the termination of the Navy's interest in Parcel 1 effectively eliminated the reciprocal nature of the lease, the second amendment also renamed the agreement to "Lease Agreement for Site 6B Between the United States of America and the City of Los Angeles"; and

WHEREAS, although the Port's leasehold interest in Site 6B continues pursuant to said Lease Agreement and the amendments, the Port, concurrent with or subsequent to this amendment, will enter into a quitclaim deed with the United States of America, acting by and through the U.S. Department of Transportation Maritime Administration ("MARAD"), for the purpose of transferring Site 6B to the Port as surplus federal property in a no-cost, port-related Public Benefit Conveyance ("PBC"); and

WHEREAS, the Navy currently owns and maintains two (2) eighteen (18) inch

TRANSMITTAL 2

fuel pipelines that transverse Site 6B as shown on Exhibit A, attached hereto and made a part hereof; and

WHEREAS, the Navy has requested MARAD to reserve a perpetual and non-exclusive easement for the fuel pipelines in the quitclaim deed between MARAD and the Port; and

WHEREAS, MARAD will contemporaneously assign the easement to the Navy upon execution of the quitclaim deed; and

WHEREAS, under the quitclaim deed MARAD will have served only as a pass-through for the pipeline and associated easement and, as such, the Navy will bear responsibility for the pipeline until such time as the pipeline has either been abandoned, removed, or assigned; and

WHEREAS, Paragraph 5 of the second amendment to the Reciprocal Lease required that when title to Site 6B was transferred to the Port under the PBC, such transfer was to include all leasehold improvements constructed by the Port during its tenancy, as well as improvements which may have been previously installed on the property by the Navy or other parties;

NOW THEREFORE, in consideration of the mutual benefits accruing to each party, the Navy and the Port hereby enter into this third amendment and agree as follows:

1. The parties agree that when title to Site 6B transfers to the Port under the Public Benefit Conveyance with MARAD, such transfer shall not include a twenty (20) foot easement for the two Navy-owned fuel pipelines that transverse Site 6B as shown in Exhibit A. Such transfer shall include all other leasehold improvements constructed on Site 6B by the Port during its tenancy as well as any other improvements, other than the pipelines shown in Exhibit A, which may have been previously installed on the property by the Navy or other parties.
2. Upon the date stated above on this Third Amendment, Paragraph 5 of the Second Amendment to the Lease Agreement is hereby rendered ineffective.
3. The Navy shall advise MARAD and the Port in writing whenever it abandons, removes or assigns the pipeline.
4. If this Agreement is amended, revised or the Port and Navy enter into a new agreement regarding the pipeline, the Navy shall provide a copy of the executed document to MARAD at the following address:

Associate Administrator for Intermodal System Development
Department of Transportation – Maritime Administration
c/o Port Conveyance Program

1200 New Jersey Avenue, SE (MAR-500)
Washington, D.C. 20590

5. As modified by this Third Amendment, the Lease Agreement and the prior two amendments are effectively amended accordingly, and those documents shall hereafter be interpreted to reflect the above stated agreements by and between the Navy and the Port.

IN WITNESS THEREOF, the Navy and the Port have caused this instrument to be duly executed by an authorized representative on the day to the right of their signatures.

Dated: July 9, 2015

UNITED STATES OF AMERICA,
Acting by and through the
Department of the Navy

By Amy Jo Hill
AMY JO HILL
Real Estate Contracting Officer

Attest Elizabeth Larson
ELIZABETH LARSON
Real Estate Contracting Officer

Dated: _____, 2015

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

By _____
EUGENE D. SEROKA
Executive Director

Attest _____
Board Secretary

APPROVED AS TO FORM AND LEGALITY

July 16, 2015
MICHAEL N. FEUER, City Attorney
Janna B. Sidley, General Counsel

By Heather M. McCloskey
Heather M. McCloskey, Deputy