

**MEMORANDUM OF AGREEMENT
BETWEEN THE PORT OF LOS ANGELES AND THE COUNTY OF MERCED
REGARDING THE MID-CALIFORNIA INTERNATIONAL TRADE DISTRICT**

I. PARTIES

The parties to this agreement are the City of Los Angeles' Harbor Department, acting by and through its Executive Director ("City"), and the County of Merced ("County") (collectively "Parties"). This Agreement concerns the Mid-California International Trade District, which Parties believe will be an important commercial hub to California's Central Valley ("District").

II. AUTHORITY

The Parties each individually represents and warrants that it has the right, power, and authority to execute this Memorandum of Agreement (MOA). Each Party represents and warrants that it has given any and all notices, and obtained any and all consents, powers and authorities, necessary to permit it, and the persons executing this MOA for it, to enter this MOA.

III. PURPOSE

- a. The Port of Los Angeles ("Port") is a proprietary department of the City. The Port is the Nation's busiest container port, and a global model for sustainability, security, and social responsibility. It is a critical conduit of global trade for the regional, state, and national economy, handling import and export cargo to and from every corner of the United States.

Under the Los Angeles Trust Grant from the State of California, the Port controls the state tidelands and submerged lands in the San Pedro-Wilmington area for commerce, navigation, fishery, and other purposes, that comply with the terms of the Trust and are matters of statewide interest and benefit. As such, the Port has an interest in supporting California's economic development by connecting trade growth at the Los Angeles trade corridor with economic prosperity throughout the state.

The Port sees regions within its nearby hinterland as valuable to its competitiveness, and therefore, views California's Central Valley region as uniquely attractive for its business growth and supports the development of new logistics and manufacturing hubs in the Central Valley.

- b. The County is located in California's Central Valley and is a community with a rich heritage in agriculture. The County is seeking to diversify its economy by capitalizing on its location, its competitive cost structure, its strong logistics connectivity via rail, road and air; and through secondary connections to California's seaports. The County is developing a 2,000-acre multimodal investment district called the Mid-California International Trade District ("MCITD").

The MCITD is designed to house over 8M square feet of industrial development and support over 9,000 jobs onsite, planned as a \$1B capital construction investment. The MCITD site is connected to CA99; to rail via a direct connection to a transcontinental line; to air via an onsite airport and close proximity to five major airports; and to nearby seaports, notably the largest container port in North America at the Port of Los Angeles.

The County is developing the site for industrial investment in a range of manufacturing and distribution sectors, including automotive, industrial machinery, specialty chemicals, commercial space systems, medical products and supplies and food production. The MCITD has begun development and currently houses over 75 business tenants and will include the California AutoTech Complex, a specialized asset to support next-generation automotive testing, development and production, currently Google/Waymo's autonomous car test facility.

The MCITD will be master developed by the County and its development/risk capital partners. County is represented by Global Logistics Development Partners to structure the project business strategy, develop investment in the key identified sectors, structure infrastructure investment relationships with partners and manage development of the California AutoTech Complex. The County believes that a strong working relationship with the Port of Los Angeles as being very important to support investment in the County; and Merced County desires to develop a mutually beneficial business relationship with the Port of Los Angeles to develop more cargo transit to and from California through the Port, and to support the competitiveness of investment at the MCITD

- c. The City and the County believe that the MCITD is a project of scale that is important to the State of California's economy and advances the state's goals of a sustainable, efficient and competitive supply chain. City and County are committed to their roles as environmental stewards as they work collectively to both support the District and develop its local and international trade connections to the Port.

IV. RESPONSIBILITIES

The Parties agree to the following:

- A. The Parties will:
 - a. Form a joint Business Development Plan that focuses on the creation of sustainable and efficient two-way domestic and international trade connections between the District and the Port.
 - b. Educate supply chain stakeholders and the public generally about the partnership and its benefits to the state and national economy;
 - c. Conduct exporter outreach in the Central Valley;
 - d. Collaborate to share business intelligence and work on prospect deals;

- e. Cooperate in the promotion of the partnership to regional, national, and trade press;
- f. Collaborate in creation of future agreements that fulfill the goal of expanded local participation in efficient and sustainable international trade at the Port;
- g. Work jointly to collaborate with other supply chain stakeholders to advance the purposes of this MOA;
- h. Coordinate in the creation of outreach plans extolling the benefits of the District and its relationship with the Port.

V. POINTS OF CONTACT

CITY

David Libatique
Los Angeles Harbor Department
425 S. Palos Verdes Street
San Pedro, California 90731
310-732-3905

COUNTY

Mark J. Hendrickson, Director
Department of Community & Economic Development
County of Merced
2222 M Street
Merced, CA 95340

VI. OTHER PROVISIONS

Nothing in the Agreement is intended to conflict with current law or regulation relating to the City or the County. If a term of this agreement is inconsistent with such authority, then that term shall be invalid, but the remaining terms and conditions of this agreement shall remain in full force and effect.

VII. EFFECTIVE DATE

The terms of this agreement will become effective on the date the latter party executes this document.

VIII. MODIFICATION

This agreement may be modified upon the mutual written consent of the parties.

IX. TERM

The term of this Agreement shall be a period of two years from the date of execution of this Agreement by Executive Director.

X. TERMINATION

The terms of this MOU will remain in effect until either the Term expires or any party provides 30 days' written notice to the other party to terminate this MOU.

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(Signature page to follow)

IN WITNESS WHEREOF, the parties have executed this Agreement on the dated first hereinabove written.

THE CITY OF LOS ANGELES
HARBOR DEPARTMENT

Date October 17, 2017

By: [Signature]
EUGENE D. SEROKA
Executive Director

Attest: N/A
AMBER M. KLESGES
Board Secretary

THE COUNTY OF MERCED

Date October 24, 2017

By: [Signature]
DARON MCDANIEL
Chairman

Attest: [Signature]
JAMES L. BROWN
County Executive Officer

APPROVED AS TO FORM AND LEGALITY

October 17, 2017
MICHAEL N. FEUER, City Attorney
JANNA B. SIDLEY, General Counsel

10/19, 2017
JAMES N. FINCHER, County Counsel

By: [Signature]
JUSTIN HOUTERMAN, Deputy

By: [Signature]
Jeffrey B. Grant
[Print Name] [Title]

JH/jp