

FIRST AMENDMENT TO LEASE NO. 904
BETWEEN THE CITY OF LOS ANGELES AND
ALTASEA AT THE PORT OF LOS ANGELES

THIS FIRST AMENDMENT to Lease No. 904 ("Agreement") is made and entered into by and between the CITY OF LOS ANGELES, a municipal corporation ("City"), acting by and through its Board of Harbor Commissioners ("Board"), and ALTASEA AT THE PORT OF LOS ANGELES ("Tenant").

This First Amendment shall be effective September 11, 2018 upon approval of the Board and the City of Los Angeles City Council in accordance with the requirements of the City of Los Angeles City Charter and Administrative Code.

The Agreement is hereby amended a first time as follows:

1. Parcel B61C. Parcel B61C, measuring 12,155 square feet, is added to the Premises as delineated on Permit Map-Authority No. L904 Drawing No. 45640 rev. 1, attached hereto as Attachment 1.
2. City and Tenant hereby agree that no City Improvements or Tenant Improvements shall be required for Parcel B61C under Section 3.3 of the Agreement.
3. Section 3.1. Section 3.1 hereby is deleted in its entirety and is replaced with the following provision:

"3.1 Description. The premises subject to this Agreement consist of Parcel Nos. B56A, B56B, B57, B57.5, B58, B59, B60, B61A, B61B, B61C, B70, B71, S22, as delineated and more particularly described on Permit Map-Authority No. L904 ("Premises") that is on file in the office of the Chief Harbor Engineer of the Harbor Department ("Harbor Engineer") and is attached hereto as Exhibit A-1. The list of Existing City Improvements is attached hereto as Exhibit C. The total acreage of the Premises is 35.03 acres of land/wharf/warehouse and water including 23.73 acres of land/wharf/warehouse and 11.30 acres of water. The Premises encompass the total property and improvements subject to this Agreement. However, Tenant shall be entitled to accept and take possession of individual Parcels within the Premises pursuant to the process for Tenant acceptance and possession of individual Parcels described in Section 3.2 below. Exhibit B shall identify the Demised Premises as said Demised Premises may be revised from time to time during the Term of the Agreement. Upon incorporating any individual Parcels into the Demised Premises, the Executive Director shall issue an updated Demised Premises Exhibit as Exhibit B-# and so forth numerically as Tenant accepts and takes possession of Parcels over the Term of the Agreement. Said revised Exhibit B shall be transmitted to Tenant and shall list all of the Parcels that Tenant has accepted or is in possession of as permitted in Section 3.2 of this Agreement. Upon City's transmittal to Tenant, each such issued Exhibit B-# shall be deemed to:

(i) be incorporated into this Agreement without further action of the Board or Council; and (ii) supersede any earlier iterations of Exhibit B-#."

4. Exhibit A hereby is deleted in its entirety, and is replaced with Exhibit A-1, attached hereto and made a part of the Agreement.
5. Upon the effective date of this First Amendment, Tenant will have accepted and shall be in possession of Parcel Nos. B57.5, B58, B59, B60, B61A, and B61C as identified on Exhibit B-1.
6. Exhibit B and all versions of Exhibit "B-#" issued prior to the effective date of this First Amendment are hereby deleted in their entirety and replaced with Exhibit B-1, attached hereto, and made a part of the Agreement.
7. Section 3.2.4. Section 3.2.4 hereby is deleted in its entirety and is replaced with the following provision:

"3.2.4 Parcels B61A and B61C Existing Tenants. Tenant acknowledges that at the Effective Date of this Agreement, City has leased portions of Parcel B61A and Parcel B61C as identified on Exhibit A-1 to U.S. Water Taxi, pursuant to Revocable Permit #1491 and to the United States Department of Commerce National Oceanographic and Atmospheric Administration ("NOAA"), pursuant to Revocable Permit #1406 (collectively, "Existing Tenants"). Tenant shall in no way interfere with the Existing Tenants' access to or use of Parcels B61A and B61C, prior to Tenant taking possession of said Parcels. Prior to taking possession of said Parcels, Tenant shall cooperate with City to evaluate appropriate locations for NOAA within the Premises. During the Term of the Agreement, Tenant shall be required to accommodate NOAA's operation of a tide survey and gauging station in a location that ensures long-term continuity of data collected at that station and consistent with the terms of Revocable Permit #1406."

8. Section 5.1.4. Section 5.1.4 hereby is deleted in its entirety and is replaced with the following provision:

"5.1.4. Interim Compensation Period: "Interim Compensation Period" shall mean the period commencing the date Tenant first takes possession of Parcels B58-B60, B61A and B61C, or a portion thereof, as established in Exhibit B pursuant to Section 3.2.1.3(b) and ends on the initiation of the Final Compensation Period.

9. Section 5.3.1. Section 5.3.1 hereby is deleted in its entirety and is replaced with the following provision:

"5.3.1 Parcels B58-B60, B61A and B61C Interim Compensation Period Rent. Tenant shall pay the Minimum Annual Rent established below for Interim Compensation Period for Parcel B58-B60, B61A, and B61C or portions thereof, accepted by Tenant pursuant to Section 3.2.1.3(b). The

Minimum Annual Rent shall be prorated for the remainder of the Compensation Year during which Minimum Annual Rent first becomes due. During the Interim Compensation Period, upon the date of Tenant's possession of Parcels B58-B60, B61A, and B61C or portions thereof pursuant to Section 3.2.1.3(b), Tenant shall pay Minimum Annual Rent to the City as calculated by the City based upon a rental rate of \$0.10 per square foot per year for water area and \$0.42 per square foot per year for warehouse space. The warehouse rental rate includes the adjacent paved land and wharf area of Parcels B58-B60 and B61A. The square footage of the water and warehouse area in Tenant's possession shall be multiplied by the \$0.10 and \$0.42 per square foot per year rental rate, respectively, to establish the Interim Compensation Period Minimum Annual Rent. Tenant shall concur with the City's calculation of the rental area square footage. Tenant shall not receive any additional rental discount for any public areas for Parcel B58-B60, B61A and B61C areas."

10. Section 5.4.8 hereby is deleted in its entirety and is replaced with the following provision:

"5.4.8 Parcels with Minimum Annual Rent Pending. Tenant agrees and recognizes that the location, condition, circumstances, and planned facilities at Parcels B70-B71 differ significantly from those of Parcels B56A, B56B, B57, B57.5, B58, B59, B60, B61A, B61B, and B61C. Tenant agrees and recognizes that the basis of the Minimum Annual Rent established for Parcels B56A, B56B, B57, B57.5, B58, B59, B60, B61A, B61B, and B61C may not be applicable to establishing Minimum Annual Rent for Parcels B70 and B71 in the future."

11. Section 5.4.6.10 hereby is added to the Agreement as follows:

"5.4.6.10 Parcel B61C. Minimum Annual Rent for Parcel B61C shall be \$587 provided Tenant complies with Exhibit F."

12. Section 5.5.1.2. Section 5.5.1.2 hereby is deleted in its entirety and is replaced with the following provision:

"Parcels B58-B60, B61A and B61C Interim Compensation Period Minimum Annual Rent. CPI adjustments as detailed in Section 5.5.1.1 shall begin on the July 1 of the first Compensation Year following the interim Compensation Period (which date and subsequent anniversaries shall be referred to individually as "Interim Rent Adjustment Date"), and annually thereafter."

13. Section 5.8.1(b). Section 5.8.1(b) hereby is deleted in its entirety and is replaced with the following provision:

"(b) Parcels B58-B60, B61A and B61C shall have a maximum Rent Credit of fifteen million (\$15,000,000). Upon completion of redevelopment of Warehouses 58-60 and development of the Public Promenade as set forth in

Section 3.3.4, Tenant shall submit documentation detailing actual Tenant expenditures for development of the Public Promenade and redevelopment of Warehouses 58-60. The Executive Director shall review the Tenant documentation to ensure only redevelopment of Warehouses 58-60 and Public Promenade costs are included. The lesser of the maximum Rent Credit for Parcels B58-B60, B61A and B61C or actual Tenant expenditures for redevelopment of potentially historic Warehouses 58-60 and development of the Public Promenade shall be certified in writing by the Executive Director to Tenant."

14. Section 8.8.1. Section 8.8.1 hereby is deleted in its entirety and is replaced with the following provision:

"8.8.1 Generally. City, at its sole cost and expense, shall keep, maintain and repair wharf structures on or under the Demised Premises on an "as is" basis as conditions exist at this location on the Effective Date of this Agreement at Parcels B58, B59, B60, B61A and B61C and the structural integrity thereof to the extent that such maintenance and repairs are not required pursuant to damages caused by Tenant as described in Section 8.8.2. Notwithstanding the foregoing, use by the Tenant of Parcel B58, B59, B60, B61A and B61C shall be on an "as is" basis as conditions exist at this location on the Effective Date of this Agreement. "Wharf Structure" for purposes of this subsection includes, without limitation, the beams, girders, piles, sea walls, retaining walls, fill material, subsurface support slabs, bulkheads and pre-stressed concrete or wood piling, joists, pile caps and timber decking (except as noted herein), and any and all mooring dolphins. The wharf structure does not include the paving or surface condition of the timber decking."

15. Section 12.1.4(b). Section 12.1.4(b) hereby is deleted in its entirety and is replaced with the following provision:

"(b) Tenant shall require that any sublease or other occupancy granted to authorized Subtenants or other permitted occupants of Parcels B58, B59, B60, B61A or B61C includes a hold harmless provision for the benefit of the City as provided for in Section 12.1.4(a). Any such hold harmless provision shall not relieve Tenant of its obligations to City pursuant to Section 12.1.4(a)."

16. Upon the effective date of this First Amendment, the Minimum Annual Rent during the Interim Compensation Period for Parcel Nos. B58, B59, B60, B61A, and B61C as identified on Exhibit B-1, shall be \$157,820 calculated at the rates indicated in Section 5.3.1, as amended herein, and shown on Attachment 2.

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17. Upon the effective date of this First Amendment, the Minimum Annual Rent during the Interim Compensation Period for Parcel Nos. B58, B59, B60, B61A, and B61C, in the amount of \$136,222 as shown calculated on Attachment 2, is hereby waived from the time period September 11, 2018 to until August 22, 2019.

Except as amended herein, all remaining terms and conditions of Lease No. 904 shall remain in full force and effect.

IN WITNESS THEREOF, the parties hereto have executed this First Amendment to Lease No. 904 on the date to the left of their signatures.

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

Dated: _____

By _____
EUGENE D. SEROKA
Executive Director

Attest _____
AMBER M. KLESGES
Board Secretary

Dated: 10/11/18

ALTASEA AT THE
PORT OF LOS ANGELES
By: [Signature]
TIMOTHY B. MCOSKER
Chief Executive Officer

Attest: _____

(Print/type name and title)

APPROVED AS TO FORM AND LEGALITY

October 12, 2018
MICHAEL N. FEUER, City Attorney
Janna B. Sidley, General Counsel

By [Signature]
Heather M. McCloskey, Deputy

SHEED		AREA
BERTH 57		48,500 S.F.
BERTH 58		59,850 S.F.
BERTH 59		60,150 S.F.
BERTH 60		60,300 S.F.

MAIN CHANNEL

NOTE:

- Horizontal Datum is based on the North American Datum of 1983 (NAD 83), California Coordinate System, Zone 10, West.
- Parcel locations and areas are approximate and require a more detailed survey, in the field and existing conditions. Information shown on this drawing is for planning purposes only.
- Parcel B61C (waterfront intake pipeline) will extend, either full-width or narrow right-of-way, from Parcel B57.5, B58, B59, B60 & B61A. Exact location to be determined.

MINER STREET

GRAPHIC SCALE

DATE	BY	DESCRIPTION	HI	DATE	BY	DESCRIPTION
04/18	DRR	REVISED AND RENUMBERED PARCELS	DRR	04/18	DRR	REVISED AND RENUMBERED PARCELS
09/18	DRR	ADDED PARCEL B61C, REVISED PARCELS B58 & B59 AND CHANGED AUTHORITY NO.	DRR	09/18	DRR	ADDED PARCEL B61C, REVISED PARCELS B58 & B59 AND CHANGED AUTHORITY NO.

PERMIT MAP - AUTHORITY NO. L904A

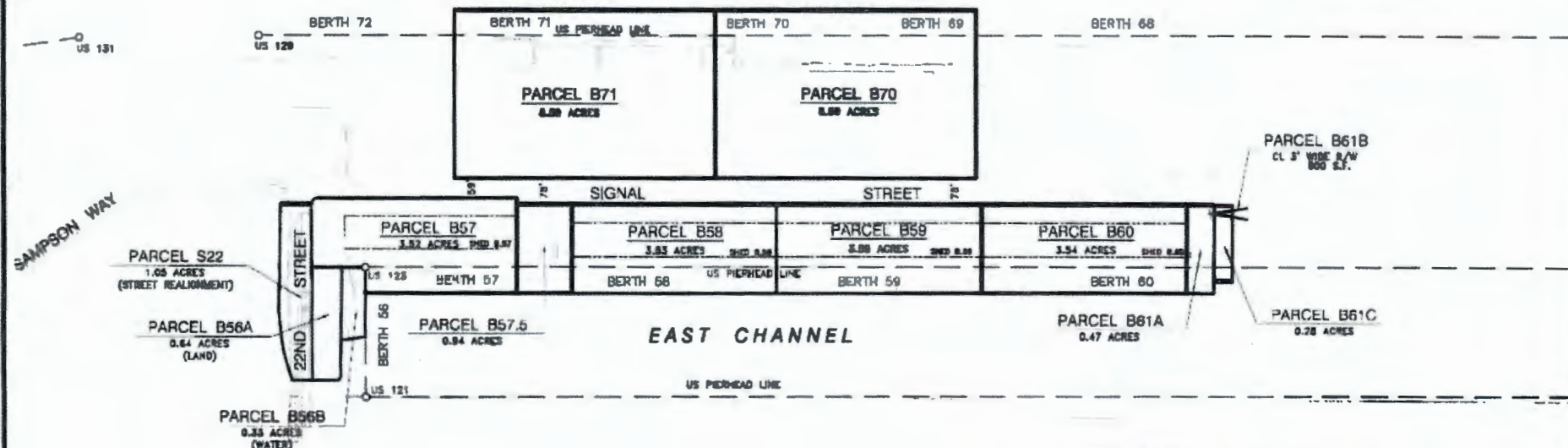
ALTASEA - MARINE RESEARCH CENTER

THE PORT OF SAN ANGELES ENGINEERING DIVISION

45640

SHED	AREA
BERTH 57	46,500 S.F.
BERTH 58	59,850 S.F.
BERTH 59	60,150 S.F.
BERTH 60	60,000 S.F.

MAIN CHANNEL



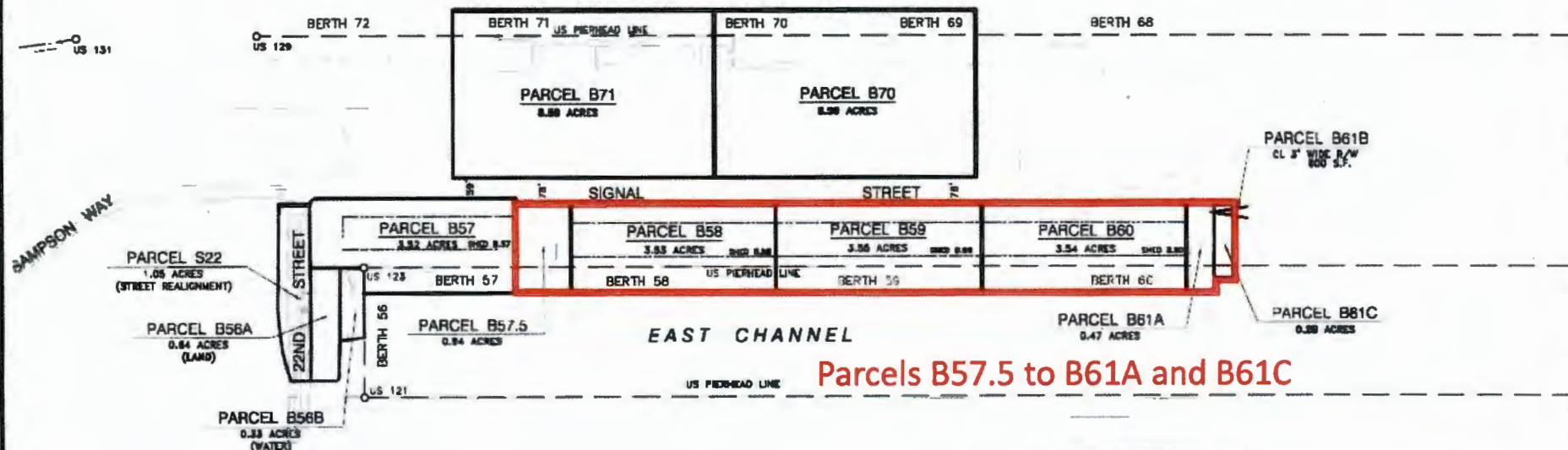
NOTES:

- 1) Horizontal Datum is based on the North American Datum of 1983 (NAD 83), California Coordinate System, Zone 5, Feet.
- 2) Parcel locations and areas are approximate and require a more detailed survey of the site and existing conditions. In-situ data shall be used for planning purposes only.
- 3) Parcel B61B (Saltwater intake pipeline) will extend, either subsurface or above grade, through Parcel B57, B57.5, B58, B59, B60 & B61A. Exact location to be determined.

DATE	REVISIONS	CHKD	APPD	SCALE	RECOMMENDED FOR APPROVAL	PERMIT MAP - AUTHORITY NO. L904A
04/18	REVISED AND RENUMBERED PARCELS	DRR	DRR	1" = 300'	CHIEF OF E I	ALTASEA - MARINE RESEARCH CENTER
09/18	ADDED PARCEL B61C, REVISED PARCELS B58 & B59 AND CHANGED AUTHORITY NO.	DRR	DRR	CHECKED: C CROSSI 9/13 DESIGNED: D RAASCH 9/13 ENGR/ARCH Daryl R. Raasch	CHIEF OF E I H- T T HIEF E I EE Dawn Wall HIEF H- E I EE	
						45640

Exhibit A-1

SHED	AREA
BERTH 57	46,500 S.F.
BERTH 58	59,850 S.F.
BERTH 59	60,150 S.F.
BERTH 60	60,000 S.F.




*) Horizontal Datum is based on the North American Datum of 1983 (NAD 83), California Coordinate System, Zone 2, Feet.

2) Possible locations and areas are approximate and requires a more detailed survey of the site and existing conditions. Information shown on this drawing is for planning purposes only.

5) Parcel B5'B (Saltwater intake pipeline) will extend, either subsurface or above grade, through Parcel B57, B57.5, B58, B59, B60 & B61A. Exact location to be determined.



DATE		E11		JHJ		SCALE 1" = 300'		REMOVED EXISTING MATERIAL		PERMIT MAP - AUTHORITY NO. L904A			
1	04/18	DRR	REVISED AND RENUMBERED PARCELS	DRR	NR	AS SHOWN		CHIEF OF ERI		ALTASEA - MARINE RESEARCH CENTER			
2	09/18	DRR	ADDED PARCEL B61C, REVISED PARCELS B58 & B59 AND CHANGED AUTHORITY NO.	DRR	NR	HERE TO CROSS 9/13		NOT LOUGH					
						REVISED 4/11/11		- IT-T HOF		E		 LA THE PUBLIC WORKS ENGINEERING DIVISION 405 N. PALM STREET, SUITE 100, PALM BEACH, FL 33480-1200	YARD 45640
						EVEN WITH		H- E 1-EE		HOF H- E 1-EE			
						Daryl R. Rasmussen		Daryl M. Wall					

Amended and Restated Lease No. 904

Calculations for Exhibit B-4

Based on September 11, 2018 Possession of Parcels B57.5 to B61A, and B61C

Interim Compensation Period

Annual Rates/S.F.	
Warehouse	\$0.42
Wharf	\$0.42
Land	\$0.42
Water	\$0.10

Parcel	Type	Length	Width	Total Sq. Ft.	Annual Cost	Daily Cost
57.5	land	160	100	16,000		
	wharf	160	28	4,480		
	water	160	77	12,320		
	Dock/Parking	160	52	8,320		
			Totals	41,120		
			Total Acres	0.94		
58	warehouse	598.5	100	59,850	\$ 25,137	\$ 68.87
	wharf	598.5	28	16,758	\$ 7,038	\$ 19.28
	water	598.5	77	46,085	\$ 4,608	\$ 12.63
	Dock/Parking	598.5	52	31,122	\$ 13,071	\$ 35.81
			Totals	153,815	\$ 49,855	\$ 136.59
			Total Acres	3.53		
59	warehouse	601.5	100	60,150	\$ 25,263	\$ 69.21
	wharf	601.5	28	16,842	\$ 7,074	\$ 19.38
	water	601.5	77	46,316	\$ 4,632	\$ 12.69
	Dock/Parking	601.5	52	31,278	\$ 13,137	\$ 35.99
			Totals	154,586	\$ 50,105	\$ 137.27
			Total Acres	3.55		
60	warehouse	600	100	60,000	\$ 25,200	\$ 69.04
	wharf	600	28	16,800	\$ 7,056	\$ 19.33
	water	600	77	46,200	\$ 4,620	\$ 12.66
	Dock/Parking	600	52	31,200	\$ 13,104	\$ 35.90
			Totals	154,200	\$ 49,980	\$ 136.93
			Total Acres	3.54		
61A	Dock/Parking	80	52	4,160	\$ 1,747	\$ 4.79
	Land	80	100	8,000	\$ 3,360	\$ 9.21
	Wharf	80	28	2,240	\$ 941	\$ 2.58
	Water	80	77	6,160	\$ 616	\$ 1.69
			Totals	20,560	\$ 6,664	\$ 18.26
			Total Acres	0.47		
61C	Water	55	221	12,155	\$ 1,216	\$ 3.33
			Totals	12,155	\$ 1,216	\$ 3.33
			Total Acres	0.28		

Grand Total: 536,435 \$ 157,820 \$ 432.38
acres 12.31

Amended and Restated Lease No. 904 **Calculations for Exhibit B-4**

effective date of possession	11-Sep-18
end of proration date until start of new interim compensation year	22-Aug-19
days for current interim compensation period	345
partial year rent/due upon possession	\$ 149,172

Credits	B-1	\$	(1,468)
Credits	B-2	\$	(67)
Shortage	B-3.rev	\$	119
		\$	(1,416)
		\$	147,755
Amounts already paid until 12/22/18		\$	(11,534)
		\$	136,222

Amounts already paid until December 22, 2018			
	B-1	B-2	B-3 rev
rent/day	\$ 70.68	\$ 21.69	21
start	9/11/2018		
end	12/22/2018		
days	102		
sub-totals	\$ 7,209	\$ 2,212	2,112
TOTAL			\$ (11,534)