



Item No.: 8A_Supp
Date of Meeting: March 15, 2022

2nd Amendment to the SSA Terminals Lease at Terminal 5

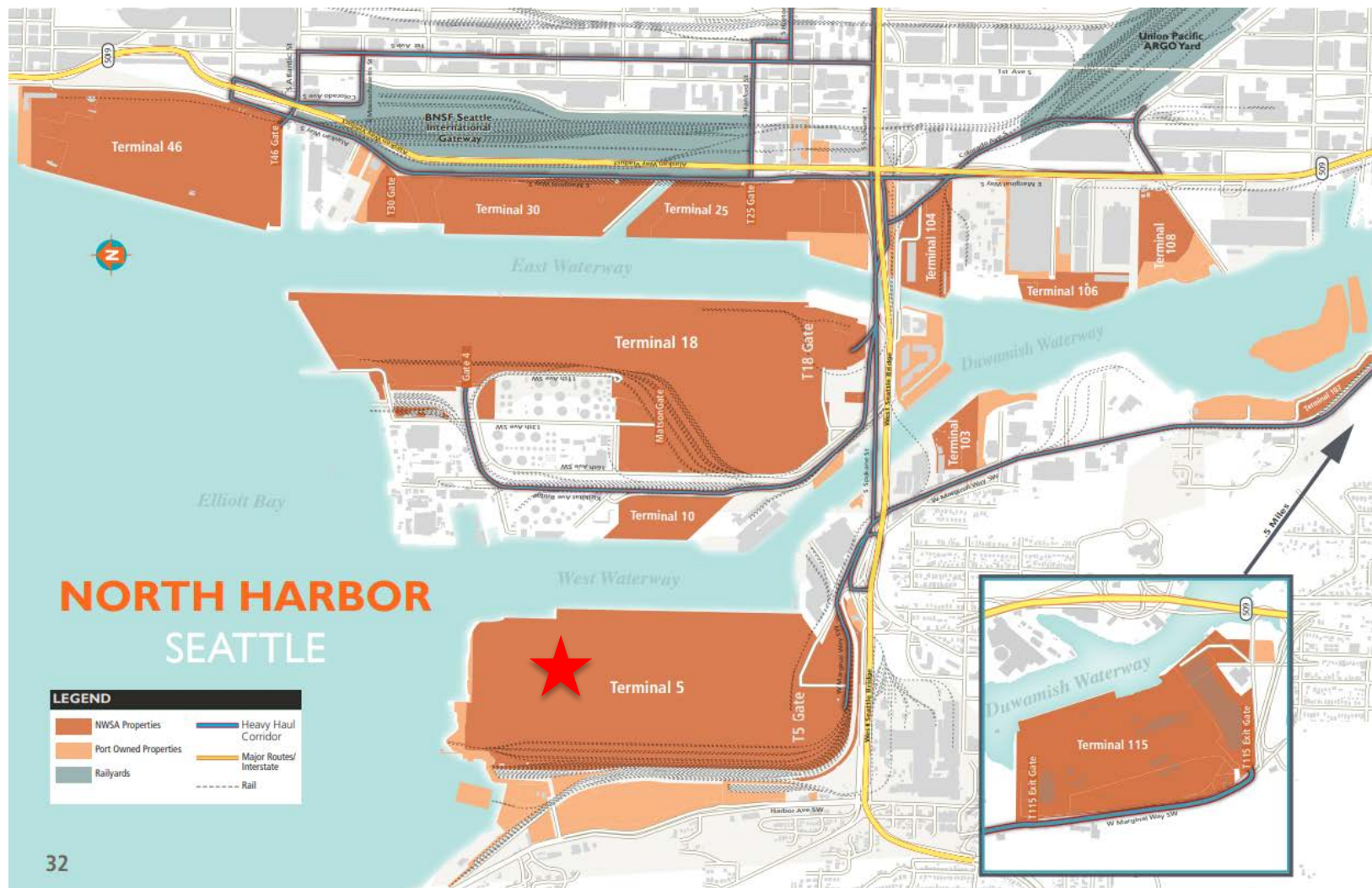
Presenter: Jennifer Maietta
Director, NWSA Real Estate

Action Requested

- **Request Managing Members of the Northwest Seaport Alliance (NWSA) authorization for the Chief Executive Officer or their delegate to approve the Second Amendment to the term lease by and between SSA Terminals (Seattle Terminals), LLC and the Northwest Seaport Alliance.**



TERMINAL 5

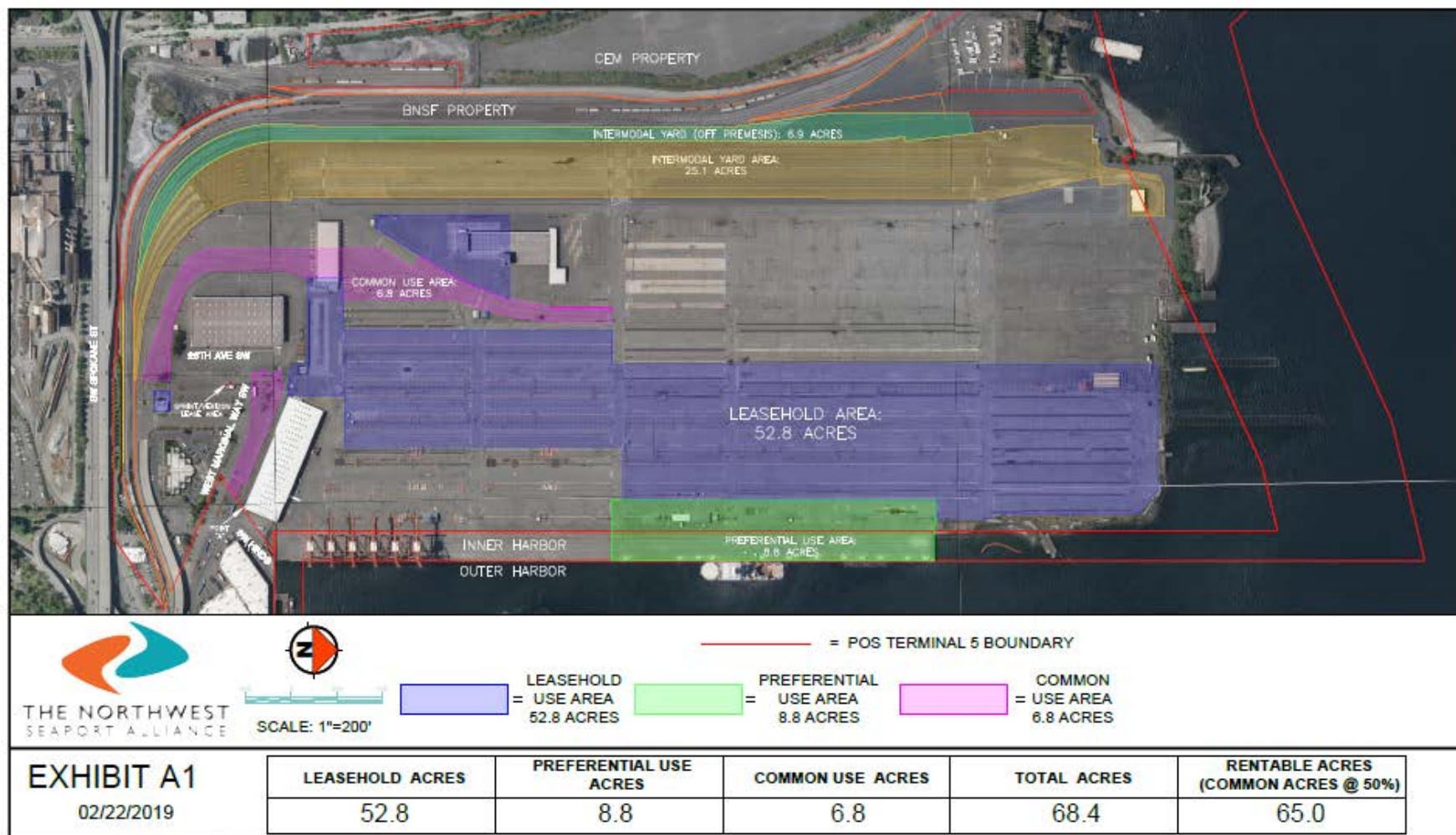


Background

- **The Phase 1 Premises site plan requires modification:**
 - Minor change in the length of the Preferential Use area upon completion of the berth modernization
 - SSAT requiring full use of the Maintenance and Repair Building (M&R Building) to support current business operation.
 - SSAT will be using the full gate complex requiring adjustments to the Common Areas.
 - Adjustments to the areas Preferential Use, Leasehold, and Common Areas that make up the Premises were made.
 - The overall total square footage did not change and remains 65-acres with no change to the rent collected or use of the premises.




Original Lease Site Plan




Proposed Site Plan






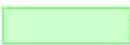
THE NORTHWEST SEAPORT ALLIANCE




SCALE: 1"=200'



LEASEHOLD USE AREA
49.8 ACRES



PREFERENTIAL USE AREA
8.5 ACRES



COMMON USE AREA
13.4 ACRES

— = POS TERMINAL 5 BOUNDARY

EXHIBIT A1 12/14/2021	LEASEHOLD ACRES	PREFERENTIAL USE ACRES	COMMON USE ACRES	TOTAL ACRES	RENTABLE ACRES (COMMON ACRES @ 50%)
	49.8	8.5	13.4	71.7	65.0

Background

- The Preferential Use Area was estimated to be 1,420 linear feet at the time the lease was finalized. Upon completion of the north berth modernization project the linear footage is 1,370 linear feet and is within the approved construction contract range. The depth of the Preferential Use Area did not change. This resulted in the overall square footage of the Preferential Use Area being reduced from 8.8 acres to 8.5 acres.
- The original site plan allowed SSAT use of half of the M&R Building. In support of Phase 1 operations and additional rail and container yard operations under separate agreements, SSAT is requiring use of the full M&R Building, which is currently acceptable as there is not a second tenant at the terminal during Phase.
 - The Phase 1 Plus option would allow for two-terminal operations and the M&R Building would revert to being shared equally between the current and a future tenant 50/50%.
 - The Phase 2 option is where SSAT effectively leases the entire marine cargo terminal and thus would take the entire M&R Building.



Background

- Additionally, it is proposed that Section 1.1.4 “Pathway Common Area” be added as a new Section to the Lease to:
 - Allow for SSAT to cross over any areas on the terminal during Phase 1 that are not otherwise contained within the Phase 1 Premises. This will allow for SSAT access to the M&R Building and to cross over other areas of the terminal to access their Premises.
 - The Pathway Common Area is deemed to be a part of and included in the Phase 1 Common Areas and shall be managed as such, including for indemnity proposes in NWSA’s favor.



Summary of Terms

SECTION	DESCRIPTION
Section 1.1.1 “Phase 1 Leasehold Area”	Revised to 49.8 acres (from 52.8 acres)
Section 1.1.2 “Phase 1 Preferential Use Area”	Revised to 1,370 linear feet for a total of 8.5 acres (from 1,420 linear feet to 8.8 acres)
Section 1.1.3 “Phase 1 Common Use Areas”	Revised to 6.7 acres (from 6.8 acres)
Section 1.1.4 “Pathway Common Area”	Section added to allow SSA to cross over areas of the terminal that are not within their Premises Managed as part of Phase 1 Common Areas (including indemnity purposes at NWSA’s favor)



Financial Implications

- No financial Impacts due to no change in overall square footage of the Premises



Action Requested

- Request Managing Members of the Northwest Seaport Alliance (NWSA) authorization for the Chief Executive Officer or their delegate to approve the Second Amendment to the term lease by and between SSA Terminals (Seattle Terminals), LLC and the Northwest Seaport Alliance in substantially the same form as presented.