

Item: 6A

Date: 7/15/25

# Silverback Industries, LLC Lease

## First Reading

**Einar Roden**

Sr. Manager, Real Estate and Business Development

Port of Tacoma Commission Meeting  
July 15, 2025



**First reading - No action is requested today**

Second reading - Action to be requested (August 19, 2025):

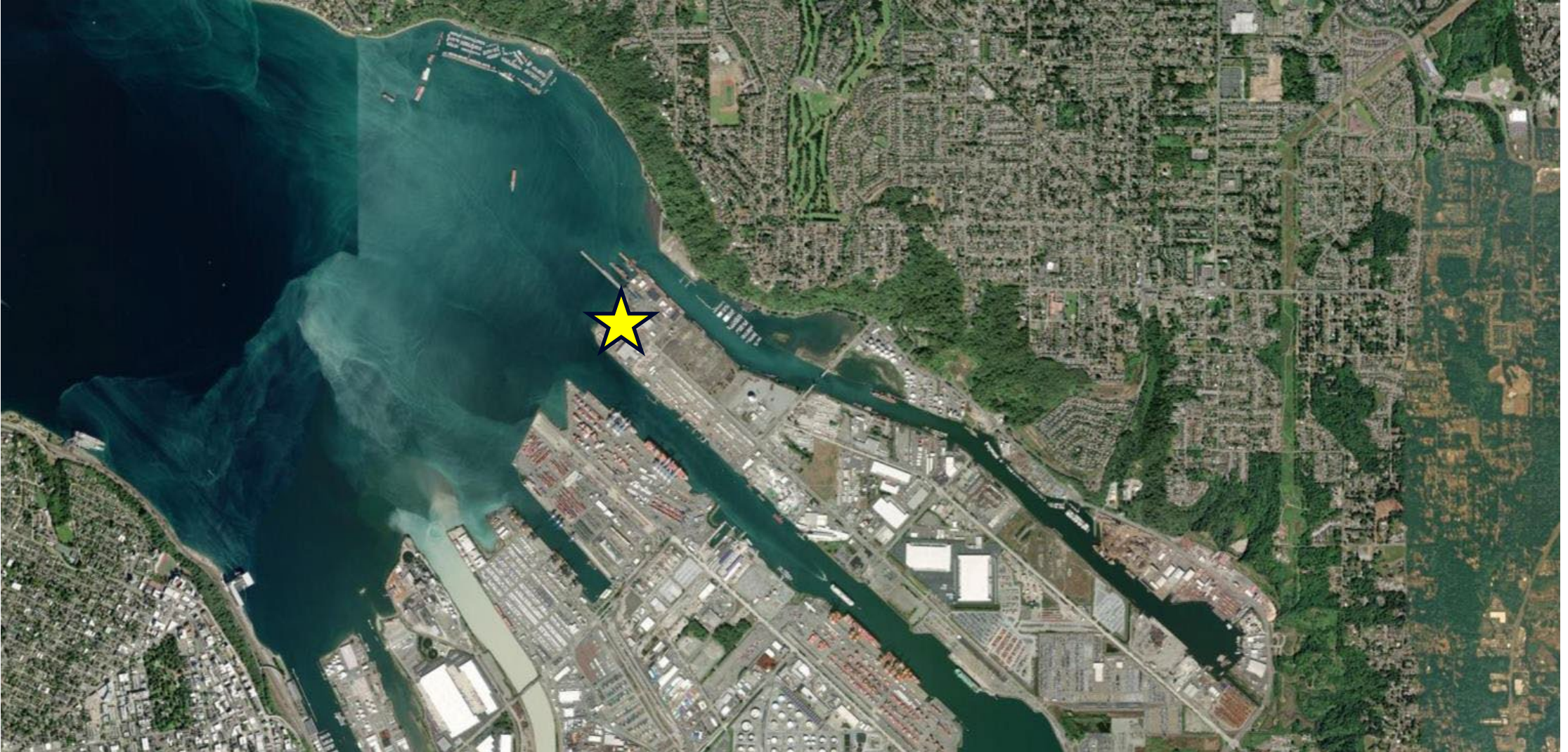
Authorization for the Executive Director, or his designee, to enter into a new four-year lease with Silverback Industries, LLC for the premises located at 401 E. Alexander Ave, Tacoma, WA, including:

- A pre-engineered metal warehouse (~12,000 sq. ft.)
- 1 acre of yard area

- Silverback Industries, LLC specializes in building military landing crafts, skiffs, towboats, and workboats
- EBC tenant since April 2021
- Current leased building is scheduled for demolition
- Silverback to contribute \$750,000 toward a temporary replacement facility
- New lease terms and rent reflect Silverback's financial contribution





# Property Location





# Leased Premises

 ~12,000 SF = Building  
 ~1 Acre = Yard



- **Lease Premises:** ~12,000 sq. ft. warehouse with 1 acre of yard space
- **Use:** Construction and storage of aluminum boats
- **Commencement Date:** Upon completion of new building (estimated September 1, 2026)
- **Lease Term:** Four years, with potential extension by mutual agreement
- **Monthly Rent:** \$2,000 plus Leasehold Excise Tax

# Lease Terms (Continued)

- **Rent Escalations:** Adjusted annually based on CPI-U Index
- **Security Deposit:** \$6,771 (three months' rent + Leasehold Excise Tax); variance from standard 12-month policy
- **Tenant contribution:** \$750K toward new metal building factored into the \$2,000/month rent
- **Additional information:** Tenant financial contribution is refundable if the building is not constructed

# Alternatives Considered

## Alternative 1

Construct the new temporary structure

Enables relocation of tenant due to building demolition

## Alternative 2

Do not build the temporary structure

May lead to potential lease termination in the future

Recommended option: Alternative 1





# Thank You

## Questions & Discussion



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