

An aerial photograph of the Port of Tacoma, showing various industrial facilities, shipyards, and a large body of water. The image is partially obscured by a dark blue curved shape that serves as a background for the text.

# Second Reading: Fibres International, Inc. Lease – 401 Alexander Avenue

Presenter:

Scott Francis  
Director of Real Estate  
Port of Tacoma



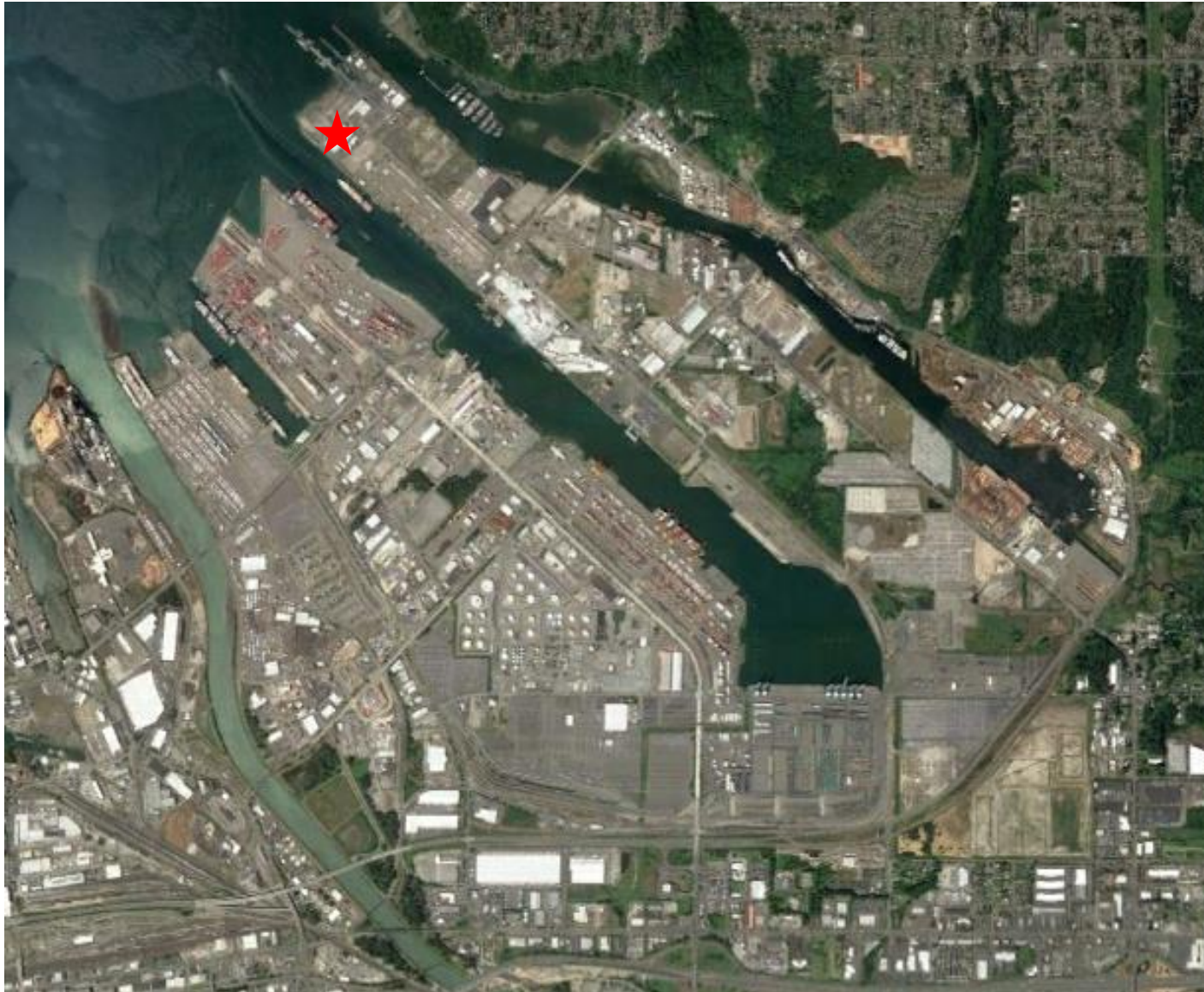
# Action Requested



Authorization for the Chief Executive Officer or his designee to enter into a five-year lease with Fibres International, Inc. for the premises located at 401 Alexander Avenue, Tacoma, WA.

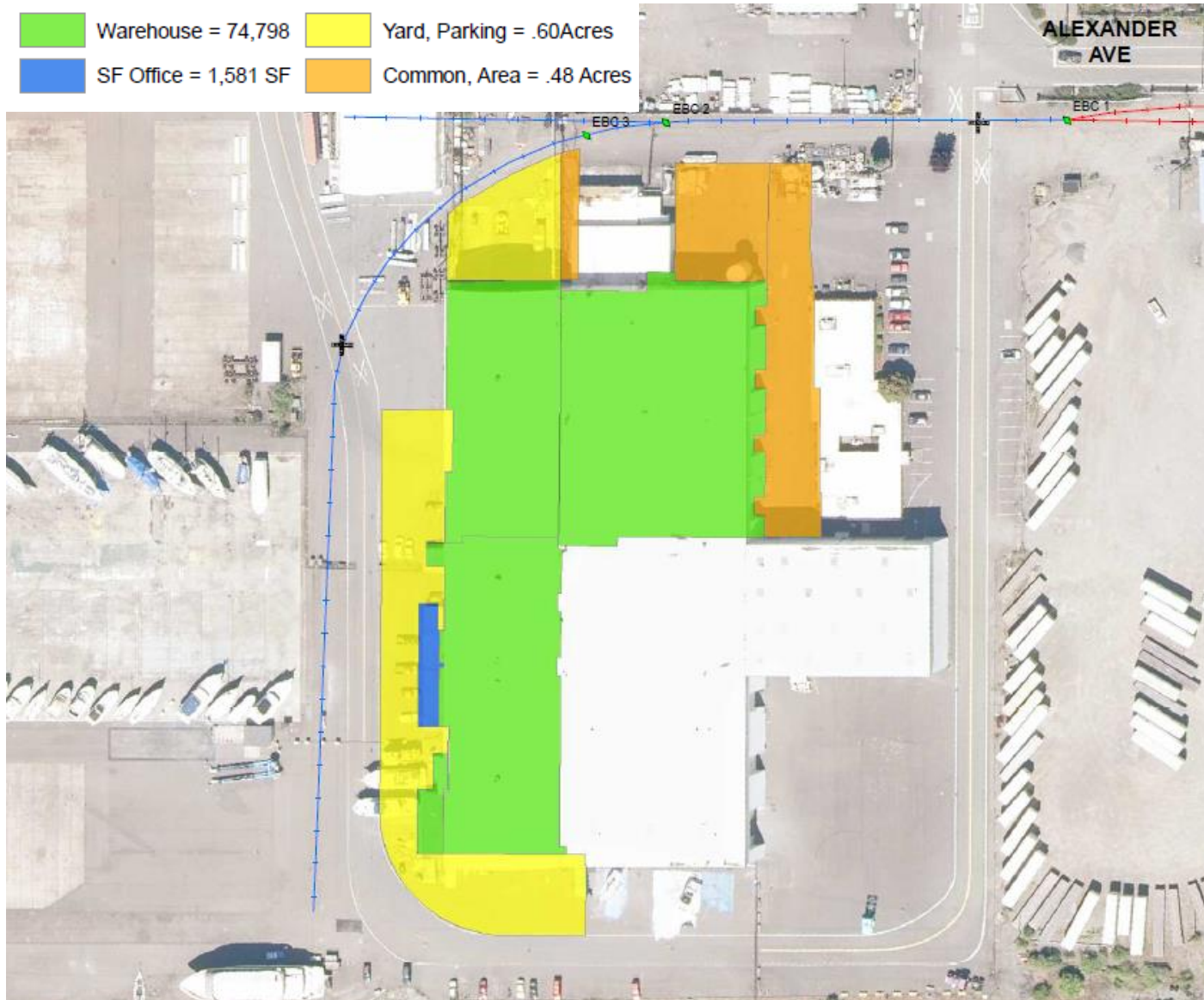


# Fibres International – Lease Location





# Fibres International – Lease Premises



# Background



- Fibres International is a private company founded in the Pacific Northwest in 1974 and headquartered in Everett, WA.
- They specialize in the responsible commercial recycling of paper products.
- Their service area is primarily Western Washington.
- Fibres International, Inc. has been a month to month tenant at the Port of Tacoma since February 2017.

# Fibres International – Lease Terms



- Lease Commencement: October 1, 2017
- Lease Premises: 74,798 SF warehouse, 1,581 SF office space, and 0.60 acres of yard/parking.
- Lease Term: five-years with one mutually approved five-year extension.
- Rent: \$27,760/mo. (\$333,124/yr.)
- Rent Escalation: annual increase based on CPI-U.
- Security Deposit: \$375,897 (one-year's rent + leasehold tax)

# Fibres International – Lease Terms Cont'd



- Use: Storage and collection of recycled cardboard.
- Utility Expense: Lessee responsibility.
- Insurance: \$2M general liability, \$1M auto liability.
- Maintenance Responsibility:
  - Lessor is responsible for the roof, exterior walls, foundation, fire suppression, underground utilities.
  - Lessee is responsible for the mechanical, plumbing, electrical, windows/doors.

# Lease Benefits



- Fibres International, Inc. is a current tenant in good standing.
- This lease is at market rate and represents the highest and best use for this property.
- Retains 2-3 full-time jobs in Tacoma and supports many trucking jobs and related positions.
- Fibers International ships 100+ containers per month through the NWSA gateway to China and other Asian destinations.



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