



# Early Termination of the 4.88 acre Lease with GP Gypsum, LLC

Presenter:

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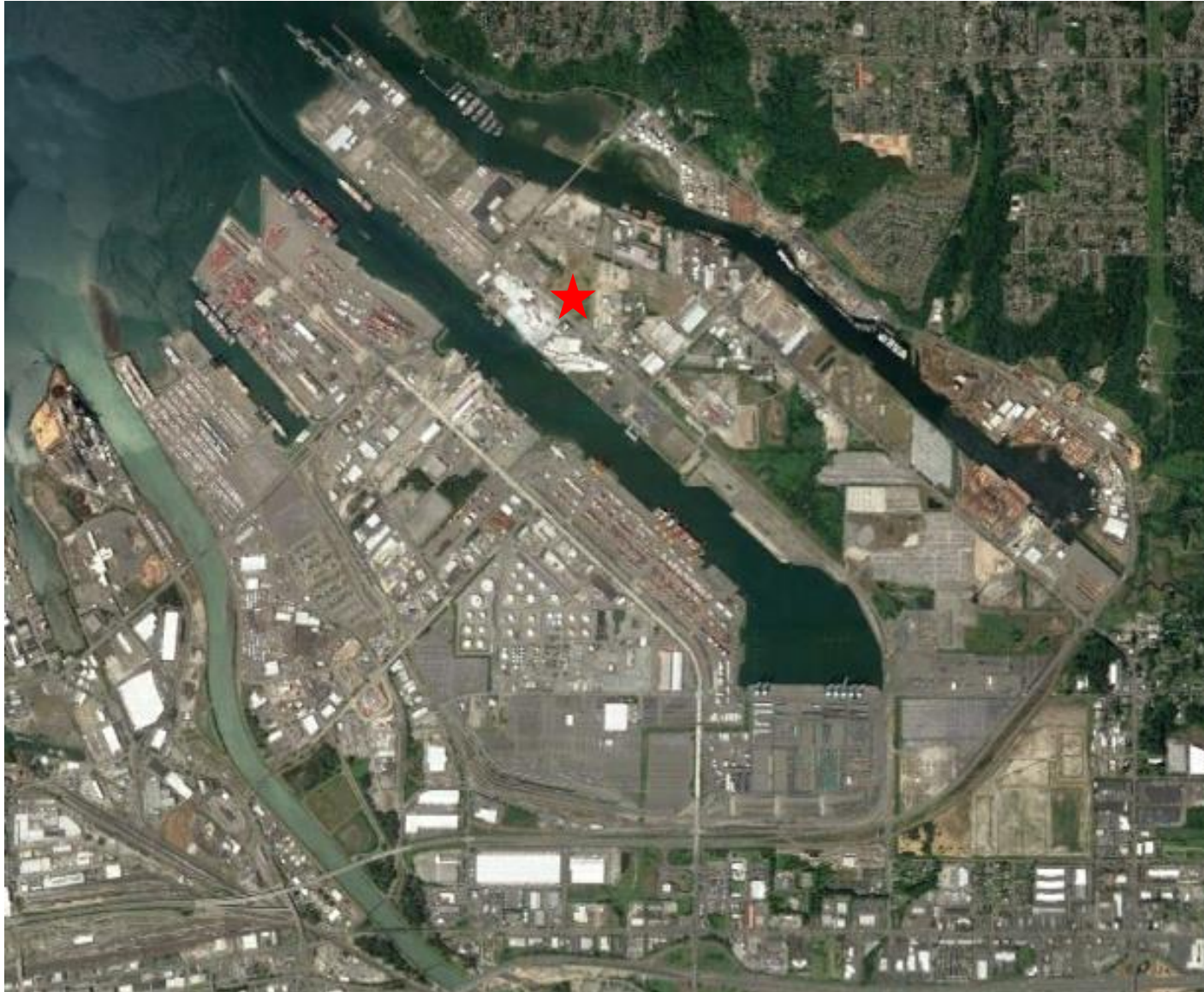


# Action Requested



Authorize the Chief Executive Officer (CEO) or his designee to approve the early termination of the 4.88 acre lease with GP Gypsum, LLC located at 1225 Alexander Avenue, Tacoma, WA.




# GP Gypsum – Lease Location



# GP Gypsum – 1225 Alexander Ave.



## Exhibit Key

-  Yard = 4.88 Acres
-  Ditch
-  Wetlands



# Background



- GP Gypsum has a 15.54 acre lease on the Blair Waterway that includes their vessel off-loading terminal and manufacturing facility.
- This 15.54 acre lease terminates in 2039 and currently generates \$755,244 in annual rent.
- GP Gypsum employs about 96 people at this location and supports many others that transport their products throughout the Northwest including Alaska and Hawaii.

# Background Continued



- In September 2015, GP Gypsum also leased a 4.88 acre area located at 1225 Alexander Avenue.
  - The scheduled termination date is August 31, 2018.
  - Current rent is \$19,371 per month.
  - The intended use was to store bulk gypsum.
  - To date, GP Gypsum has not used this property because of the high cost of regulatory requirements to improve the property for gypsum storage.
  - GP Gypsum requests an early termination of this lease.

# Economic Impacts



- The termination of this lease makes a larger contiguous property available for development subject to permit approvals.
- GP Gypsum or their gypsum supplier may lease another Port property to replace this property.
- No loss of jobs is caused by this action.



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