

Item No.
Date of Meeting

8i supp
October 14, 2025

Trowbridge 5-year Term Lease at Fishermen's Terminal Shipyard

Presenter:

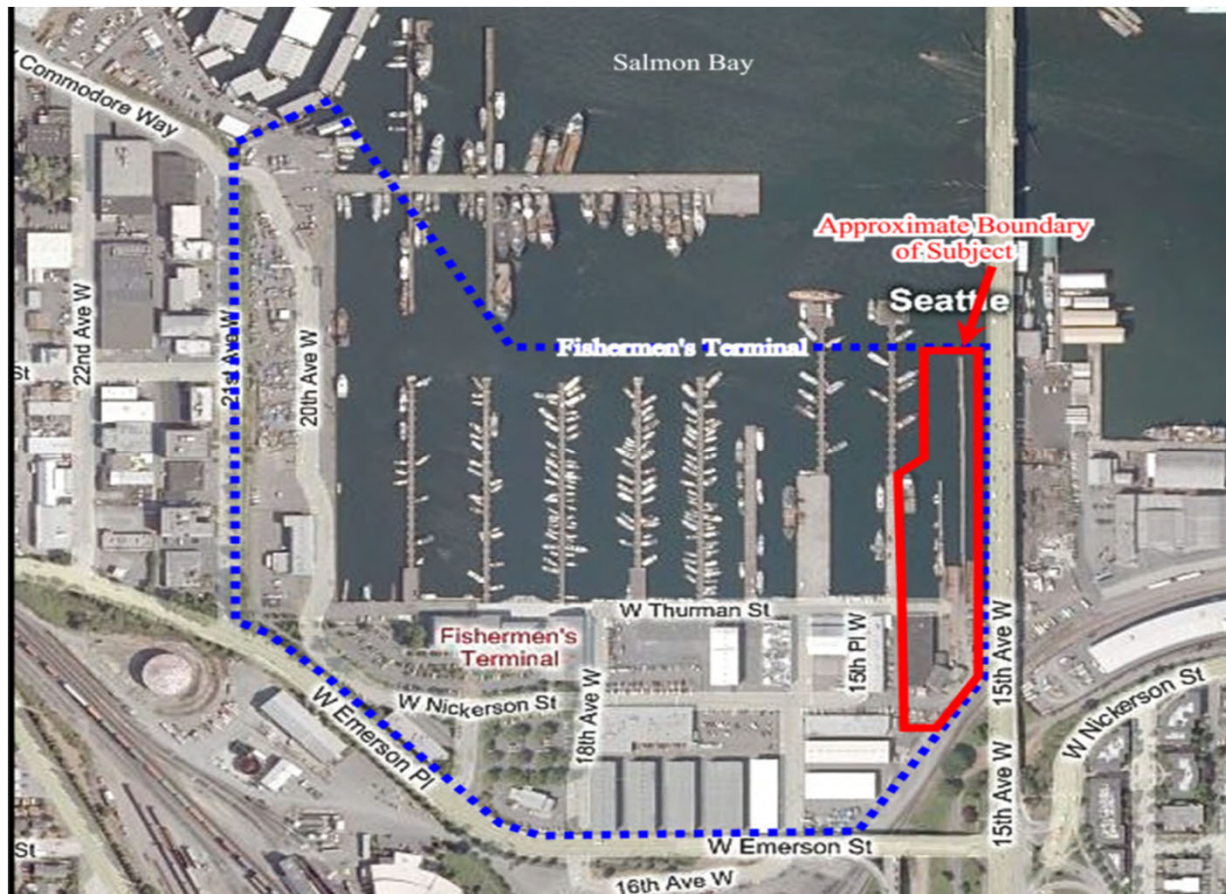
Jennifer Maietta, Director Real Estate Asset Management
Jessica Carlson, Sr Real Estate Manager



Action Requested

Request Commission authorization for the Executive Director to execute a ten (10) year term lease, with Trowbridge, LLC at Fishermen's Terminal in its substantive form as presented.

Fishermen's Terminal



Premises



Summary

- Trowbridge Innovations is a West Coast contractor, marine service provider, and product supplier in the maritime sector.
- This is a term lease with Trowbridge, LLC (“Trowbridge”) for the former Fishing Vessel Owner’s site at Fishermen’s Terminal which has been vacant since 2021.
- Tenant will be investing approximately \$2M to bring the warehouse/office back to a functional state.
- The tenant improvements will include additional upgrades to the floating docks, marine-ways and yard area.

Basic Lease Terms

TERM	DESCRIPTION
Premises	Total Premises is 182,804/sf inclusive of 136,138/sf submerged lands, 28,183/sf yard area, and 18,483/sf warehouse/office space located within Fishermen's Terminal.
Term	10-year term lease
Lease Commencement	November 1, 2025
Due diligence period	Thirty (30) days period following the Commencement Date, Lessee shall have the right to review the environmental conditions of the Premises. • One-time right to terminate by written notice to Lessor prior to end of Due Diligence Period. • Otherwise, upon the expiration of the Due Diligence Period, the Lessee fully accepts the Premises in its present condition.
Rent Commencement	Rent shall commence May 1, 2025; upon conclusion of due diligence period and Lessee shall accept Premises in an as is condition.
Base Rent	\$11,225.43/Month plus 3% annual escalation, and 12.84% LET • The base rent is market rate for the yard and submerged lands. • The warehouse/office rent is abated during the term of the lease as the buildings are in a non-functional state.
Security Deposit	Security deposit is \$35,757
Tenant Improvement Allowance	Tenant Improvement Allowance in an amount not to exceed \$500,000. TI to include, but not limited to, electrical, mechanical (HVAC), plumbing, lighting, fire system, and interior office shell repairs to flooring, drop ceiling, insulation and floating dock repairs December 1, 2026, which deadline may be extended at Port's sole discretion.

Financial Implications

Project cost for analysis	Tenant Improvement Allowance: \$500,000
Effect on business performance (NOI after depreciation)	The lease generates approximately \$1.5M over the course of the primary term (10 years)
IRR/NPV	NPV= \$585K TI Allowance Payback=4.03 years

Questions?

Slide 8

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