AMENDMENT NO. 1 TO THE LEASE IN FURTHERANCE OF CONVEYANCE BETWEEN THE UNITED STATES OF AMERICA AND THE LOCAL REDEVELOPMENT AUTHORITY FOR NAVAL STATION ROOSEVELT ROADS

1 AMENDMENT NO. 1 2 TO THE 3 LEASE IN FURTHERANCE 4 **OF CONVEYANCE** 5 BETWEEN 6 THE UNITED STATES OF AMERICA 7 AND 8 THE LOCAL REDEVELOPMENT AUTHORITY 9 FOR NAVAL STATION ROOSEVELT ROADS 10 11 THIS AMENDMENT NO. ONE (1) to the Lease in Furtherance of Conveyance 12 between the United States of America, acting by and through the Navy, and the Local Redevelopment Authority for Naval Station Roosevelt Roads dated January 25, 2012 ("Lease") 13 is entered into as of this 20th day of March, 2013 ("Effective Date") by and between THE 14 UNITED STATES OF AMERICA, acting by and through the Department of the Navy 15 ("Government"), and THE LOCAL REDEVELOPMENT AUTHORITY FOR NAVAL 16 17 STATION ROOSEVELT ROADS ("Lessee"), recognized as the local redevelopment authority by the Office of Economic Adjustment on behalf of the Secretary of Defense with regard to the 18 19 disposition and conveyance of portions of Naval Station Roosevelt Roads, Puerto Rico. The Government and LRA are sometimes referred to herein collectively as the "Parties." 20 21 22 RECITALS 23 24 25 26 27 28 29 30 31 32 Parcel 3 to the LRA; 33 34

WHEREAS, the Parties entered into that certain Economic Development Conveyance Memorandum of Agreement dated December 20, 2011 (the "EDC Agreement") pursuant to Section 2905(b)(4) of the Defense Base Closure and Realignment Act of 1990, as amended, and the implementing regulations of the Department of Defense (32 CFR Part 174);

WHEREAS, the EDC Agreement contained the terms and conditions for the transfer to the LRA of approximately 1,370.2 acres at NSRR referred to as "Parcel 3." On January 25-26, 2012, the Government and the LRA executed various quitclaim deeds and the Lease to transfer

WHEREAS, the Parties entered into that certain Amendment No. 1 to the EDC Agreement dated December 11, 2012 to provide for the conveyance from the Navy to the LRA of a parcel consisting of approximately one thousand, five hundred and forty-two (1,542) acres at NSRR referred to as "Parcel 1" and a parcel consisting of approximately four hundred and ninety-seven (497) acres at NSRR referred to as "Parcel 2", as described in Attachment 1 hereto;

WHEREAS, the Lessee has requested, and the Government has agreed, to lease Parcel 1 and Parcel 2 to the Lessee while the Parties prepare for the transfer of Parcel 1 and Parcel 2 to the Lessee by deed; and

WHEREAS, the Parties desire to amend the Lease to include Parcel 1 and Parcel 2, subject to the terms and conditions set forth herein.

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1	NOW	THEREFORE in consideration of the foresting armines and the respective	
1 2	NOW, THEREFORE, in consideration of the foregoing premises and the respective representations, agreements, covenants and conditions herein contained, and other good and		
3	valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the		
4	Parties agree as follows.		
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6		AGREEMENTS	
7		AGREEMENTS	
8	Article 1.	Lease Premises.	
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10	a.	Attachment 1 to this Amendment is hereby attached as Exhibit "A-2" to the	
11	Lease.	,	
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13	b.	The third Recital of the Lease is hereby deleted in its entirety and replaced with	
14	the following		
15		The Second Control of	
16		"WHEREAS, on September 16, 2011, the Government approved an EDC	
17		to the NSRR LRA for the sale and transfer of approximately 1,370.20	
18		acres of surplus property at the former NSRR, and on December 11, 2012,	
19		the Government approved an amendment to the EDC to include the	
20		additional sale and transfer to the NSRR LRA of approximately 2,039	
21		acres of surplus property at the former NSRR."	
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23	c.	The sixth Recital of the Lease is hereby deleted in its entirety and replaced with	
24	the following		
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26		"WHEREAS, the Lessee has been approved as the recipient of multiple	
27		parcels of land and improvements which together make up the entire EDC	
28		conveyance comprised of approximately 1,370.20 acres in the area	
29		referred to as "Parcel 3," approximately 1,542 acres in the area referred to	
30		as "Parcel 1", and approximately 497 acres in the area referred to as	
31		"Parcel 2", which total 3,409.2 acres, including the Lease Premises, as	
32		defined below, which total approximately 2,395.123 acres; and"	
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34	d.	Section 1.1 of the Lease is hereby deleted in its entirety and replaced with the	
35	following:		
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37		"The term, "Lease Premises" as used in this Lease, shall mean those	
38		facilities and/or land areas identified in Exhibit "A" and Exhibit "A-2" to	
39		this Lease, as and if modified, and all improvements thereon."	
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41	Article 2.	Term. Section 2 of the Lease is hereby deleted in its entirety and replaced with	
42	the following:		
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44 45		"2. <u>TERM</u> .	
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1 2 3 4 5		2.1 With respect to the Lease Premises described on Exhibit "A", the term of this Lease shall be for a period of twenty (20) years, beginning on January 25, 2012 and ending on January 25, 2032, unless terminated earlier in accordance with the provisions of Paragraph 15.
6 7 8 9 10		2.2 With respect to the wastewater utility system described on Exhibit "A-1", the term of this Lease shall begin on the date the Government provides notice to the Lessee in accordance with Section 1.1.1 and shall end on January 25, 2032, unless terminated earlier in accordance with the provisions of Paragraph 15.
11 12 13 14 15 16		2.3 With respect to the Lease Premises described on Exhibit "A-2" to this Lease, the term of this Lease shall begin on March 20, 2013 and shall end on June 30, 2013, unless terminated earlier in accordance with the provisions of Paragraph 15."
17 18	Article 3.	Environmental Provisions.
19 20 21	a. following:	Article 7 of the Lease is hereby deleted in its entirety and replaced with the
22 23		"ENVIRONMENTAL CONDITION OF PROPERTY AND ENVIRONMENTAL REPORTS. Lessee and sublesses are hereby made
24 25 26		aware of the notifications contained in the environmental reports attached hereto as Exhibit "D" and shall comply with all restrictions set forth therein.
27 28 29	b.	Attachment 2 to this Amendment is hereby added to Exhibit "D" to the Lease.
30 31	c.	Section 13.1.1 is hereby amended to include the following:
32 33	•	"SWMU 1, Former Army Cremator Disposal Site - Approximately 121.64 acres. An abandoned, unlined landfill on the edge of mangrove swamps along the
34 35 36 37		shoreline of Ensenada Honda Bay. It was the primary disposal site for NSRR solid waste from the early 1940s to the early 1960s. There are no numbered facilities or buildings on SWMU 1.
38 39 40	•	SWMU 2, Langley Drive Disposal Area - Approximately 27.67 acres. Abandoned, unlined landfill on the edge of mangrove swamps along the shoreline of Ensenada Honda Bay. Operational from 1939 to 1959. There are no numbered
41 42		facilities or buildings on SWMU 2.
43 44 45	•	SWMU 54, Former NEX Repair/Maintenance Shop, Building 1914 - Approximately 1.74 acres. Building 1914 is a 648-square foot, concrete-block building constructed in 1978 and used for vehicle maintenance.

• SWMU 61, Former Bundy Area Maintenance Facilities - Approximately 5.30 acres. Formerly a large, open storage/maintenance area that is now mostly wooded. It was used for facility and vehicle maintenance activities from the 1940s to 1960s. There are no numbered facilities or buildings on SWMU 61.

• SWMU 62, Former Bundy Disposal Area - Approximately 14.59 acres. Formerly a disposal or fill area with multi-toned, mounded materials observed on a 1958-1961 era aerial photograph that is now mostly wooded. There are no numbered facilities or buildings on SWMU 62.

• SWMU 71, Quarry Disposal Site - Approximately 22.874 acres. Former quarry operation located at the current location of the Commissary parking lot and the open, grassy field adjacent to the parking lot. Open storage and disposal of drums occurred in this area. The Commissary, a 62,671-square foot building constructed in 2003, is located within the boundaries of this SWMU.

• AOC F, Sites of Former Underground Storage Tanks (USTs) at Buildings 520, 731, 734 and 735 (approximately 3.43, .30, .26, and 1.10 acres, respectively) - After the removal of the former petroleum USTs at these sites, and the subsequent investigations, the sites were recommended for remedial action by monitored natural attenuation with separate protocols for each site."

d. Section 13.2 is hereby amended to include the following land use controls for SWMUs 1, 2, 54, 61,62, 71 and AOC F (520, 731,734 and 735):

• "A restriction on land use to non-residential uses only. A restriction on access and/or certain invasive activities in areas where surface soil, subsurface soil and/or sediments are contaminated. A restriction on use of groundwater and installation of new wells in or near areas of known groundwater contamination. A requirement to protect the integrity of any existing and all future groundwater monitoring or extraction wells, remedial action equipment and associated utilities until remediation is complete and federal and state cleanup standards have been met. A requirement that all ongoing and future environmental investigations and remedial activities at or adjacent to the Subject Property not be disrupted."

Article 4. Survival and Benefit.

a. Unless defined separately, the terms used in this Amendment No. 1 shall be the same as used and defined in the Lease.

b. Except as set forth herein, and unless modified specifically by this Amendment No. 1, the terms and conditions contained in the Lease shall remain binding upon the Parties and their respective successors and assigns as set forth in the Lease.

 Article 5. Counterparts. This Amendment No. 1 may be executed in multiple counterparts and/or with the signatures of the Parties set forth on different signature sheets and all such counterparts, when taken together, shall be deemed one original.

[Signatures on the Following Page]

In Witness Whereof, the Parties, intending to be legally bound, have caused their duly authorized representatives to execute and deliver this Amendment No. 1 as of the Effective Date set forth above. UNITED STATES OF AMERICA, Acting by and through the Department of the Navy Real Estate Contracting Officer Department of the Navy LOCAL REDEVELOPMENT AUTHORITY FOR NAVAL STATION ROOSEVELT ROADS María L. Blázquez Arsuaga **Executive Director**

ATTACHMENT 1

Exhibit "A-2" to the Lease
Description of Parcel 1 and Parcel 2

ATTACHMENT 2

Additions to Exhibit "D" to the Lease Environmental Reports

