



AGENDA REPORT

PROPOSED ACTION: Ordinance: Approve and Authorize the Executive Director to Execute a License and Concession Agreement with Auto Express Towing & Recovery, LLC for the Premises Located at 2400 Embarcadero Road, Oakland, for a Term of Five Years with One Five-Year Mutual Extension Option, at an Initial Monthly Rent of \$3,495, and Finding that the Proposed Action is Exempt Under the California Environmental Quality Act. **(CRE)**

Submitted By:

Jonathan Veach, Chief Real Estate Officer; Kristi McKenney, Executive Director

Parties Involved:

Auto Express Towing & Recovery, LLC, San Francisco, CA

Amount:

\$34,950 FY 2026 (Operating Revenues)

BACKGROUND & ANALYSIS

The subject property, located at 2400 Embarcadero Road in Oakland, consists of approximately 10,280 square feet of paved and fenced yard space (the “Premises”) owned by the Port of Oakland. The Premises are currently occupied by Auto Express Towing and Recovery, LLC (Auto Express) under a Temporary Rental Agreement (TRA) that commenced on September 1, 2024, and expired on August 31, 2025. Auto Express has used the Premises to begin moving most of their fleet to Oakland, as their main equipment transport clients are located within Alameda County. The relocation to Oakland was prompted by the loss of their previous storage yard in San Francisco due to notice from their landlord needing to vacate the land for Right of Way infrastructure updates.

Auto Express seeks to enter into a License and Concession Agreement with the Port for continued use of the Premises for their company fleet storage and equipment parking, dispatch operations, administrative activities, and other incidental business uses associated with its towing and recovery services. They would like to utilize the space on a long-term basis, and propose a five (5) year term, with one five (5) year mutual option for which Port acceptance is required.

Auto Express currently serves a broad range of commercial customers, focusing on government vehicles and equipment. They recently won the Request for Qualification from Alameda County to be the primary provider for towing County vehicles. Other major clients include United Rentals in Oakland and Sunbelt Rentals in San Leandro, Alameda Fire Department, US Secret Service, and Central California Power, as well as many other major commercial clients including the NFL for Superbowl LX.

The proposed License and Concession Agreement would formalize the company's tenancy and support their transition to Oakland while generating steady revenue for the Port. As part of the proposed arrangement, Auto Express has installed privacy screening on the perimeter fencing and requests acknowledgment of capital improvements provided for in the agreement, specifically the paving of the yard, which staff recommends recognizing through a one-time rent credit of \$25,000.

Table 1
Proposed Terms

Licensee	Auto Express Towing and Recovery, LLC with a Personal Guaranty from Vladimir Mikshansky.
Premises	Approximately 10,280 square feet of land with fencing in the Port area located at 2400 Embarcadero Road, Oakland.
Term	Five (5) years, commencing on September 1, 2025.
Monthly Rent	\$3,495 per month with 3% annual increases.
Security Deposit	Three (3) times' the monthly rent.
Maintenance	Auto Express is responsible for all maintenance within the Premises, including paving the Premises. No Port maintenance or improvement responsibilities from the Port of Oakland other than the rent credit summarized below.
Rent Credit	Licensee shall receive a credit against the Monthly Rental owed for up to fifty percent (50%) of the cost of the Pavement Installation, after completion of the project, in an amount not to exceed \$25,000.
Proposed Use	The Premises may be used for Licensee's business operations, including company fleet storage, equipment parking, dispatch operations, and administrative functions. After completion of the Pavement Installation described above, Licensee may, at its sole cost, install a portable structure on the Premises for office use, provided, however, that such installation and operation shall be in compliance with all laws and regulations and provided that such portable structure is removed at the end of the Term.
Option	Licensee has a one-time mutual option (the "Option"), to extend the Initial Term for an additional five (5) years commencing on the Initial Term Expiration Date. The Monthly Rental shall be increased by the greater of: (a) three percent (3%); or (b) the Fair Market Value increase in the Monthly Rental. Port acceptance is a condition of the option extension.
Guaranty	Provision of personal Guaranty by Vladimir Mikshansky, an individual.

Based on the foregoing analysis, staff recommends approval of the proposed License and Concession Agreement with Auto Express as the agreement supports continued occupancy, secures long-term revenue for the Port, and recognizes tenant-funded site improvements, while enabling a growing local business to reach their goal of servicing every resident, company, and government body within Alameda County.

A map of the Premises is shown in **Exhibit A**.

OTHER FINDINGS AND PROVISIONS

ENVIRONMENTAL REVIEW

The proposed action was analyzed under the California Environmental Quality Act (CEQA) and was found to be:

- ☒ Categorically exempt under the following CEQA Guidelines Section:
15301 (Existing Facilities)
- ☐ “Common Sense” exemption under CEQA Guidelines Section 15061(b)(3).
- ☒ Other/Notes: Also exempt per CEQA Guidelines Section 15303 (New Construction or Conversion of Small Structures).

BUDGET

- ☐ Administrative (No Impact to Operating, Non-Operating, or Capital Budgets); OR
- ☒ Operating ☐ Non-Operating ☐ Capital

Analysis: The proposed License and Concession Agreement will result in \$34,950 of additional revenue for FY2026.

STAFFING

- ☒ No Anticipated Staffing Impact.
- ☐ Anticipated Change to Budgeted Headcount.
Reason:
- ☐ Other Anticipated Staffing Impact (e.g., Temp Help).
Reason:

MARITIME AND AVIATION PROJECT LABOR AGREEMENT (MAPLA):

Applies? No (Not Aviation or Maritime CIP Project) – proposed action is not covered work on Port’s Capital Improvement Program in Aviation or Maritime areas above the threshold cost.

☐ Additional Notes:

LIVING WAGE (City Charter § 728):

Applies?

No (CRE) – proposed action entails tenancy outside of the Maritime or Aviation areas and therefore not subject to Living Wage requirements.

☐ Additional Notes:

SUSTAINABLE OPPORTUNITIES:

Applies? **Yes.**

GENERAL PLAN (City Charter § 727):

Conformity Determination:

CRE – proposed action is within City of Oakland’s planning jurisdiction and appears to conform to the General Plan.

Reason: Debris generated from pavement installation or installation of the portable structure will be handled per the CA Construction and Demolition Debris Recycling regulation.

STRATEGIC PLAN. The proposed action would help the Port achieve the following goal(s) in the Port's Strategic Plan:

- ☒ Capture Our Market and Grow the Economic Base
- ☒ Modernize and Upgrade Infrastructure
- ☐ Transition to Zero-Emissions and Build Climate Resilience
- ☒ Maximize Land Use Value and Revenues
- ☐ Workforce Training and Jobs Development
- ☒ Create Opportunities for Local Businesses and Community Economic Development