

PORT ORDINANCE NO. 4830
ORDINANCE APPROVING AND AUTHORIZING THE EXECUTIVE
DIRECTOR TO EXECUTE: (1) FOURTH AMENDMENT TO LEASE
AGREEMENT WITH SHIPPERS TRANSPORT EXPRESS, LLC
("LESSEE") TO MODIFY CERTAIN USE CONDITIONS
RELATING TO CONTAINER STACKING; AND (2) CONSENT TO
SUBLEASE WITH LESSEE TO ALLOW SUBLEASING TO
SHIPPERS LOGISTICS, LLC; AND FINDING THAT THE
PROPOSED ACTIONS ARE EXEMPT UNDER THE CALIFORNIA
ENVIRONMENTAL QUALITY ACT.

WHEREAS, the Board of Port Commissioners of the City of Oakland ("Board") has reviewed and evaluated the Agenda Report for Agenda Item 2.2, dated March 26, 2026, (the "Agenda Report") and related agenda materials, has received the expert testimony of Port of Oakland ("Port") staff, and has provided opportunities for and taken public comment; and

WHEREAS, Section 706 of the City of Oakland ("City") Charter gives to the Board the complete and exclusive power and duty for and on behalf of the City to make provisions for the needs of commerce, shipping, and navigation of the Port and to promote the development, construction, and operation of all waterfront properties, including piers, wharves, sea walls, docks, and other improvements; and

WHEREAS, the proposed action will provide important services for customers of the Port, and is consistent with the Port's duty to use and manage Port property in trust for the people of the State of California (the "Tidelands Trust"), and the private use of Port property in the form of a lease will not interfere with the Tidelands Trust; and

WHEREAS, the Port and Shippers Transport Express, LLC ("Lessee") have agreed that it is to their mutual benefit to execute a lease amendment and a consent to sublease;

NOW, THEREFORE, BE IT ORDAINED by the Board of Port Commissioners of the City of Oakland as follows:

Section 1. In acting upon this matter, the Board has exercised its independent judgment based on substantial evidence in the record and adopts and relies upon the facts, data, analysis, and findings set forth in the Agenda Report and in related agenda materials and in testimony received.

Section 2. The Board hereby finds and determines as follows:

A. The proposed Lease amendment with Lessee and the consent to sublease with Lessee are exempt from the requirements of the California Environmental Quality Act ("CEQA") because the proposed action consists of leasing of existing structures, facilities, mechanical equipment, or

topographical features, involving negligible or no expansion of existing or former use, as further defined in Section 15301 of the CEQA Guidelines.

B. Port staff have negotiated and recommend entering into the Fourth Amendment to Lease with Lessee which has the following terms:

1. Effective Date: The effective date is April 9, 2026.
2. Permitted Uses: Container stacking restrictions will be removed from Lease. Lessee shall maintain and restore pavement.
3. Rent and Rent Decreases: Lessee expressly shall restore the pavement at its sole cost, in accordance with an exhibit to the Lease that photo-documents the pavement condition and sets forth standards for restoration.
4. Bioswale: Lessee shall take over maintenance of the bioswale one (1) year after the Port's rehabilitation, which includes maintaining an active water utility account.

Other terms and conditions of the Lease remain unchanged.

C. Port staff have negotiated and recommend entering into the Consent to Sublease ("Consent") with Lessee:

1. Effective Date: The effective date is April 9, 2026, or upon full execution by parties, whichever is later.
2. Term: Term shall not be longer than to June 30, 2032.
3. Sublessee: Consent is limited to Sublease between Lessee and Shippers Logistics, LLC ("STL").
4. Rent and Compensation: The Consent does not change the rent payable to the Port and precludes Lessee from charging subtenant more than it pays the Port; Lessee may pass through certain commercial charges such as taxes or charges imposed by the Port.
5. Notice: Lessee must notify Port within 30 days of termination of Sublease. Any modification of the Sublease is subject to Port Executive Director's approval.
6. Improvements: To the extent Sublessee wishes to install any improvements, including reefer plugs and associated electric infrastructure or equipment, such improvements constitute Alterations under the Lease.

7. Other Terms: Other terms of the Lease apply to subtenant; Lessee remains subject to all Lease obligations.

Section 3. The Board hereby authorizes the Executive Director or her designee to execute the Fourth Amendment to Lease and Consent to Sublease with Lessee, as further described in the Agenda Report, subject to approval as to form and legality by the Port Attorney.

Section 4. This Ordinance is not evidence of and does not create or constitute (a) a contract, or the grant of any right, entitlement, or property interest, or (b) any obligation or liability on the part of the Board or any officer or employee of the Port. Unless and until a separate written agreement is duly executed on behalf of the Board as authorized by this ordinance, is signed as approved as to form and legality by the Port Attorney, and is delivered to the other contracting party, there shall be no valid or effective agreement.

Section 5. This Ordinance shall take effect on the date of its final adoption; provided, however, that if a petition protesting the adoption of this Ordinance is timely and duly submitted to the elections official of the City of Oakland in the manner required under California Elections Code § 9237, the effective date of this Ordinance shall be suspended, and all actions authorized by this Ordinance shall be null and void.

The Board of Port Commissioners, Oakland, California, March 26, 2026. Passed to print for one day by the following vote: Ayes: Commissioners Dominguez Walton, Muhammad, Myres, Wong and President Cluver - 5. Noes: 0. Excused: Commissioners Leslie and Martinez - 2.

Daria Edgerly,

Secretary of the Board