



AGENDA REPORT

PROPOSED ACTION: Ordinance: Approve and Authorize the Director of Aviation to Execute Private-Owned Hangar and Ramp Space Agreements and Port-Owned Hangar and Ramp Space Agreements with Multiple General Aviation Tenants, for a Five Year Term Commencing July 1, 2026 and Expiring on June 30, 2031; and Amend Appendix C-1 of the Port of Oakland Administrative Code to Adjust the General Aviation Monthly Rental Rates; and Find that the Proposed Action is Exempt Under the California Environmental Quality Act. **(Aviation)**

Submitted By: Craig Simon, Director of Aviation; Kristi McKenney, Executive Director

Parties Involved: Various General Aviation Tenants at Oakland San Francisco Bay Airport as Listed on Exhibit A

Amount: \$838,024 for FY2027

EXECUTIVE SUMMARY: Port of Oakland (Port) Staff manage approximately 120 agreements with General Aviation (GA) tenants in the North Field of Oakland San Francisco Bay Airport (OAK). The current agreements expire on June 30, 2026. Aviation is requesting approval of two new template agreements for both Port-owned and privately-owned GA hangar spaces. The new monthly rental rates that will become effective July 1, 2026, were determined by a Fair Market Rental Value Appraisal (Appraisal) conducted by Cushman & Wakefield and will be incorporated into the Port of Oakland Administrative Code (POAC). The new agreements would have a term of five years. Additionally, the new agreements include updated terms and exhibits.

BACKGROUND AND ANALYSIS

Pursuant to Port Ordinance No. 4607, on September 16, 2021, the Board of Port Commissioners (Board) approved new Hangar/Ramp Space Agreements with 120 GA tenants occupying space throughout the North Field of OAK, for a term commencing July 1, 2021, and expiring June 30, 2026. Those agreements standardized new requirements for these tenants. Specifically, they required that the Performance Deposit be maintained at three times the monthly rental amount to be consistent with Port Administrative Policy (AP) 509, identified the maintenance requirements of both the individual tenant and the Port, and explained and outlined additional provisions and requirements of the uses of the hangars.

Port Staff is recommending executing entirely new agreements, rather than simply amending and extending the current agreements. This will allow the agreements to reflect the most up to date terms, conditions, and provisions. Separate agreements will be used depending on whether a tenant is 1) leasing ramp space on which their privately owned structures sits, or 2) leasing Port owned structures or tie-down spaces.

Port-Owned Structures

The updated Port owned Hangar and Ramp Space Agreement (Hangar Agreement) would apply to approximately 76 of the GA tenants. These Hangar Agreements cover Port owned T-Hangars, Port-A-Ports, and Tiedown spaces. The new Hangar Agreements follow the Port's previously approved Hangar/Ramp Space Agreements standard template and have been updated to reflect the following changes:

- Establishes the initial monthly rental rate with fixed monthly rental rate increases annually, effective each July 1st during the five-year term.
- Requires the Performance Deposit to be maintained at a level equal to at least three times the monthly rental amount.
- Includes updated FAA AIP Grant-Required Provisions.
- Provides updated property descriptions, including North Field maps and layouts.
- Updates the Additional Provisions Exhibit to clarify Airport Landing Fees, the process for changing registered Aircraft, and the rules regarding vehicle parking, hangar storage, and the required airworthiness of the registered Aircraft.
- Incorporates the following new Exhibits:
 - Acknowledgment of the Noise Abatement Procedures at OAK.
 - Maintenance and Repair Responsibilities for both the tenant and the Port.
 - The process for Project and Kit Aircraft, including a required Project Aircraft Status Report Form.
 - Tiedown Storage Container Application for Tiedown tenants.

Privately-Owned Structures

The updated privately owned Hangar and Ramp Space Agreement (Ramp Agreement) would apply to approximately 46 of the GA tenants. These Ramp Agreements cover Ramp Spaces rented to tenants who own the Port-A-Ports that sit on the Ramp Spaces. The new Ramp Agreements generally follow the Port's previously approved Hangar/Ramp Space Agreements standard template and have been updated to reflect the following changes:

- Establishes the initial monthly rental rate with fixed monthly rental rate increases annually, effective each July 1st during the five-year term.
- Requires the Performance Deposit to be maintained at a level equal to at least three times' the monthly rental amount.
- Provisions outlining the tenant's ownership of the Port-A-Port, including transfer of ownership, reassignment of space,
- Updated FAA AIP Grant-Required Provisions.
- Updated property descriptions, including North Field maps and layouts.
- Updates the Additional Provisions Exhibit to clarify Airport Landing Fees, the process for changing registered Aircraft, and the rules regarding vehicle parking, hangar storage, and the required airworthiness of the registered Aircraft.
- Incorporates the following new Exhibits:
 - Acknowledgment of the Noise Abatement Procedures at OAK.
 - Maintenance and Repair Responsibilities for both the tenant and the Port.

- The process for Project and Kit Aircraft, including a required Project Aircraft Status Report Form.
- The process for Subleasing the tenant's Port-A-Port, including a required General Aviation Ramp Space Agreement Sublease.
- The process for selling the tenant's Port-A-Port, including a required General Aviation Ramp Space Agreement Port-A-Port Sale Request and Approval Form and a Bill of Sale example.

Rental Rates

FAA requires airports maintain a fee and rental structure that makes the airport as financially self-sustaining as possible while ensuring aeronautical rental rates are fair, reasonable and not unjustly discriminatory. The FAA does not require any specific methodology for establishing aeronautical rental rates. Reasonable methodologies may include, but are not limited to, cost valuation (for capital expenditures plus maintenance) and fair market rental value (FMRV). In April 2026, Cushman and Wakefield (Aviation appraiser), professionally evaluated and appraised all GA facilities and spaces at OAK. The findings determined that a majority of these GA facilities and spaces at OAK were being charged rates below FMRV, requiring an upward rate adjustment.

The appraisal adjusted rates that will go into effect on July 1, 2026 are set forth in the Rates and Charges in Appendix C-1 of the POAC that can be found in **Attachment A**.

Port Staff is also proposing to set annual increases in rental rates at a fixed amount of 3.5% for each of the five years of the agreements. This will simplify monthly rental rate changes allowing for full transparency up front and make the charges fixed and regular. Previously a consumer price index formula was used that resulted in varying increases and delays in implementation awaiting the CPI information (on average the recent CPI increases were 3.29% per year).

Updates to the POAC

If approved, this action will result in various changes to Appendix C-1 (Rates and Charges) of the POAC. A full copy of Appendix C-1 with these proposed changes can be found in **Attachment A**.

As well as updating the rates in the POAC, the naming conventions for the OAK GA areas and the specific OAK GA spaces have been updated to better describe the area or space and to provide uniformity across all Port communications, agreements, websites, and other published items. Table 2 compares the old naming convention with the new naming convention.

New GA tenants reach out to the Port and request new agreements monthly as space becomes available, or Port-A-Ports are sold to new owners. The Hangar Agreements and Ramp Agreements are authorized to be executed by the Executive Director for a maximum term of one year, unless a longer term is approved by the Board of Port Commissioners. It is Aviation's intent to go to the Board annually to have the agreements from the previous year approved by the Board and have the term extended through June 30, 2031, for those Hangar Agreements and Ramp Agreements.

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:

BUDGET

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

Analysis: Although certain rates were contemplated in the FY 2027 Aviation Division revenue budget, the proposed appraised amounts were higher than previous estimates. It is anticipated that this action would result in additional revenues of \$223,501 compared to the FY 2027 Revenue Budget currently under development.

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 (No Covered Agreement) – proposed action is not an agreement, contract, lease, or request to provide financial assistance within the meaning of the Living Wage requirements.

Additional Notes:

SUSTAINABLE OPPORTUNITIES:

Applies? **No.**

GENERAL PLAN (City Charter § 727):

Conformity Determination:

<p><u>Reason:</u> There are no sustainability opportunities related to this proposed action because it does not involve a development project, purchasing of equipment, or operations that present sustainability opportunities.</p>	<p>Maritime/Aviation – proposed action conforms to policies for transportation designation of the General Plan.</p>
<p><u>STRATEGIC PLAN.</u> The proposed action would help the Port achieve the following goal(s) in the Port’s Strategic Plan:</p> <ul style="list-style-type: none"><input checked="" type="checkbox"/> Capture Our Market and Grow the Economic Base<input type="checkbox"/> Modernize and Upgrade Infrastructure<input type="checkbox"/> Transition to Zero-Emissions and Build Climate Resilience<input checked="" type="checkbox"/> Maximize Land Use Value and Revenues<input type="checkbox"/> Workforce Training and Jobs Development<input type="checkbox"/> Create Opportunities for Local Businesses and Community Economic Development	

Exhibit A
List of GA Tenants

Tenants - General Aviation - Section #1			
Tenant	Facility(s)	Location(s)	Monthly Rate
Ainge, Daniel / Michael Grinich	Port-Owned T-Hangar – Type B	906J	\$ 462
Alameda Aero Club	Port-Owned T-Hangar – Type A, T-Hangar Office Space, Tiedown – Type A (9)	905D, 905E, 906-2, 906-3, T-12, T-13, T-14, T-15, T-18, T-19, T-20	\$1,868
Almy, Charles	Port-Owned T-Hangar – Type B	906E	\$ 462
Aymerich, Marc	Port-Owned T-Hangar – Type D	910J	\$ 528
Balfany, Michael	Port-Owned T-Hangar – Type D	909C	\$ 528
Bartlett, William	Port-Owned T-Hangar – Type B	906D	\$ 462
Baseghi, Cyrus	Port-Owned T-Hangar – Type B, Port-Owned Port-A-Port – Type B	878G, 906J	\$ 1,012
Bolton, Barbara	Port-Owned T-Hangar – Type D	910H	\$ 528
Borth, Christian / Borth, Maggie	Port-Owned T-Hangar – Type B	907G	\$ 462
Buhler, Louis	Port-Owned T-Hangar – Type D	910G	\$ 528
Burgess, Barry	Port-Owned T-Hangar – Type B	907J	\$ 462
Cain, Brian	Port-Owned T-Hangar – Type B, Port-Owned T-Hangar – Type E	907H, 909A	\$ 1,096
Chadbourne, Daniel / Weed, Ryan	Port-Owned T-Hangar – Type A	905B	\$ 878
Chan, Aaron	Tiedown – Type A	T-5	\$ 110
Choate, Eric	Tiedown – Type A	T-22	\$ 110
Clay II, Howard	Port-Owned T-Hangar – Type B	907B	\$ 462
Cragg, Noel	Port-Owned T-Hangar – Type B	906G	\$ 462
Cross, Colin / Lisa Oyen	Port-Owned T-Hangar – Type A	905C	\$ 878
Danhakl, James	Port-Owned T-Hangar – Type D	910C	\$ 528
Davidson, Erick / Liu, Robin	Tiedown – Type A	909-1	\$ 110
Donthineni, Rakesh	Port-Owned T-Hangar – Type D	910B	\$ 528
Dwyer, Aaron	Port-Owned T-Hangar – Type B	907D	\$ 462
Eggen, Michael	Port-Owned T-Hangar – Type C	907E	\$ 611
Everett, Laurence	Port-Owned T-Hangar – Type C	906K	\$ 611
Fiamor, Jonathan	Tiedown – Type A	909-4	\$ 110
Fields, Joseph	Tiedown – Type A	T-21	\$ 110
Gibbons, Jack Lee	Tiedown – Type A	T-17	\$ 110
Gilheany, Kevin B.	Tiedown – Type A	T-3	\$ 110
Glenn, Cynthia	Tiedown – Type A	T-16	\$ 110
Healey, Carol	Port-Owned T-Hangar – Type D	910D	\$ 528

Tenants - General Aviation - Section #1			
Tenant	Facility(s)	Location(s)	Monthly Rate
Heineman, Zachary	Port-Owned T-Hangar – Type C	907F	\$ 611
Heineman, Zachary R. / Herbert, Michael	Port-Owned T-Hangar – Type B	907A	\$ 462
Jonathan Cardenas	Port-Owned T-Hangar – Type D	909F	\$ 528
Jones, Ronald	Tiedown – Type A (2)	T-9, T-10	\$ 220
Kilroy, Andrew	Port-Owned T-Hangar – Type B	906B	\$ 462
Lee, Mon K.	Port-Owned T-Hangar – Type B	907C	\$ 462
Levins, Kenneth	Port-Owned T-Hangar – Type E	909K	\$ 634
Lim, Arnold	Port-Owned T-Hangar – Type D	909D	\$ 528
Low, Allen / Low, Andrew	Port-Owned T-Hangar – Type A	905A	\$ 878
Marchant, Wayne	Port-Owned T-Hangar – Type D	909B	\$ 528
Mathison, John	Tiedown – Type A	T-7	\$ 110
Millner, Paul	Port-Owned T-Hangar – Type B	906C	\$ 462
Nilsen, Christopher	Tiedown – Type A	907-1	\$ 110
Parker, Robert / Karp, Michael	Port-Owned T-Hangar – Type D	909H	\$ 528
Put, Ronald	Port-Owned T-Hangar – Type B	907K	\$ 462
Reining, William	Port-Owned T-Hangar – Type D	910A	\$ 528
Shaffer, Randall	Port-Owned T-Hangar – Type E	910F	\$ 634
Sitter, Duane / Norris, Linda	Port-Owned T-Hangar – Type D	910K	\$ 528
Trillia, Roy	Port-Owned T-Hangar – Type D	909G	\$ 528
Trujillo, Joe	Port-Owned T-Hangar – Type D	909E	\$ 528
Vacant	Tiedown – Type A	906-1	\$ 110
Walker, John P.	Port-Owned T-Hangar – Type C	906A	\$ 611
Wassmann, Dennis	Port-Owned T-Hangar – Type B	906H	\$ 462
Wright, Stephen	Port-Owned T-Hangar – Type B	906F	\$ 462
General Aviation - Section #1 Subtotal			\$ 26,602

Tenants - General Aviation - Section #2			
Tenant	Facility(s)	Location(s)	Monthly Rate
Martinez, Raul	Tiedown – Type A	B-11	\$ 110
Newitt, David	Tiedown – Type A	A-6	\$ 110
Santos, George	Tiedown – Type B	C-1	\$ 130
Velez, Harry	Tiedown – Type A	A-2	\$ 110
General Aviation - Section #2 Subtotal			\$ 460

Tenants - General Aviation - Section #3			
Tenant	Facility(s)	Location(s)	Monthly Rate
Anthony, Ronald	Port-Owned Port-A-Port – Type A	878P	\$ 418
Baird, Mark	Port-Owned Port-A-Port – Type B	878F	\$ 550
Booska, Steven	Tiedown – Type A	878M	\$ 110
Brennan, Timothy	Port-Owned Port-A-Port – Type B	878B	\$ 550
Ferland, Jeff	Port-Owned Port-A-Port – Type A	878U	\$ 418
Humphrey, Daniel	Port-Owned Port-A-Port – Type A	879L	\$ 418
Kimmerer, William	Port-Owned Port-A-Port – Type B	878E	\$ 550
Lange, Daniel	Port-Owned Port-A-Port – Type A	879P	\$ 418
Mullan, William	Tiedown – Type A (2)	M-7, M-8	\$ 220
Nguyen, Cody	Port-Owned Port-A-Port – Type A	878R	\$ 418
Olson, Greg	Port-Owned Port-A-Port – Type A	878T	\$ 418
Reimer, Tony	Tiedown – Type A	M-10	\$ 110
Saddler, Harry	Port-Owned Port-A-Port – Type B	878D	\$ 550
Scott, Terrence	Port-Owned Port-A-Port – Type A	878N	\$ 418
Shields, Michael	Port-Owned Port-A-Port – Type B	878A	\$ 550
Urness, John / Terry, Michael	Port-Owned Port-A-Port – Type A	879E	\$ 418
Wastenev, Michael	Port-Owned Port-A-Port – Type B, Tiedown – Type A	879F, M-9	\$ 660
General Aviation - Section #3 Subtotal			\$ 7,194

Tenants - General Aviation - Section #4

Tenant	Facility(s)	Location(s)	Monthly Rate
Bajaj, Vikram	Port-Owned Port-A-Port – Type D	6-B-4	\$ 804
Berk, David	Ramp Space – Type B, Ramp Space – Type C	6-B-5, 6-C-17	\$ 840
Blanco, James	Ramp Space – Type B, Ramp Space – Type C	6-B-15, 6-B-8	\$ 840
Brannigan, John	Ramp Space – Type C	6-B-3	\$ 469
Breazeale, James	Ramp Space – Type B	6-C-10	\$ 371
Brody, Donald	Ramp Space – Type D	6-D-2	\$ 718
Campbell, Terry	Ramp Space – Type B	6-D-3	\$ 371
Choate, Eric	Ramp Space – Type B (3), Ramp Space – Type C (2)	6-A-13, 6-A-15, 6-C-6, 6-C-12, 6-C-16	\$ 2,051
Cure, Jared	Ramp Space – Type B	6-C-3	\$ 371
Currier, Jim	Tiedown – Type A	G-1	\$ 110
Cutler, Kenneth	Ramp Space – Type C	6-A-7	\$ 469
Dessart, Peter	Ramp Space – Type B, Ramp Space – Type C	6-B-10, 6-B-18	\$ 840
Diacakis, Athanassios	Ramp Space – Type B	6-C-18	\$ 371
Edwards, Allan	Ramp Space – Type C	6-B-2	\$ 469
Eicholz, Robert	Ramp Space – Type C	6-A-9	\$ 469
Fisher, Kurt	Tiedown – Type A	6-B-6	\$ 110
Foster, Michael	Ramp Space – Type B	6-D-6	\$ 371
Gabbert, James	Ramp Space – Type B	6-D-11	\$ 371
Giger, Gale	Ramp Space – Type B	6-C-8	\$ 371
Gruener, Garrett	Ramp Space – Type B	6-D-10	\$ 371
Harmon, William	Ramp Space – Type B, Ramp Space – Type C	6-B-14, 6-C-7	\$ 840
Herbert, Michael	Ramp Space – Type B	6-C-1	\$ 371
Huffman, Todd	Ramp Space – Type B	6-C-4	\$ 371
Hwang, Andrew	Ramp Space – Type B	6-B-17	\$ 371
Inch, Bert	Ramp Space – Type C (2)	6-A-1, 6-B-1	\$ 938
Jordan, Timothy Emmet	Ramp Space – Type D	6-C-19	\$ 718
Loulier, Benjamin	Ramp Space – Type B	6-C-15	\$ 371
McCloskey, David	Ramp Space – Type B	6-C-2	\$ 371
Meer, Elliott James	Ramp Space – Type B	6-C-13	\$ 371
Mirza, Rummy	Ramp Space – Type B	6-D-13	\$ 371
Montero, Carlos	Ramp Space – Type B	6-B-16	\$ 371
Mudd, Joseph	Ramp Space – Type C	6-A-3	\$ 469
Murray, Patrick	Ramp Space – Type B	6-C-14	\$ 371

Tenants - General Aviation - Section #4			
Tenant	Facility(s)	Location(s)	Monthly Rate
Oaten, Stewart	Ramp Space – Type A, Ramp Space – Type B (2)	6-A-17, 6-D-5, 6-D-7	\$ 1,015
O'Malley, Wendy	Ramp Space – Type B	6-D-12	\$ 371
Park, Richard	Ramp Space – Type B	6-D-4	\$ 371
Richey, Charles	Ramp Space – Type B	6-D-8	\$ 371
Sadler, Ryan	Ramp Space – Type B	6-C-9	\$ 371
Schiller, Matt	Ramp Space – Type B	6-D-9	\$ 371
Simmons, Anthony	Ramp Space – Type C	6-A-11	\$ 469
Solis, Dan	Ramp Space – Type B	6-D-14	\$ 371
Song, Wenfeng	Ramp Space – Type B	6-D-16	\$ 371
Sprinkle, David	Ramp Space – Type B	6-B-11	\$ 371
Valentine, Craig	Ramp Space – Type C	6-B-9	\$ 469
Wagner, Jerry	Ramp Space – Type C	6-B-12	\$ 469
Walker, Bryan / Choate, Eric	Ramp Space – Type B, Ramp Space – Type C (2)	6-A-5, 6-B-7, 6-B-13	\$ 1,309
Xiang, Xin	Ramp Space – Type B	6-C-5	\$ 371
Yarmon, Joel	Ramp Space – Type B	6-D-1	\$ 371
Zhou, Elvin	Ramp Space – Type B	6-D-1	\$ 371
General Aviation - Section #4 Subtotal			\$ 25,273