

PORT ORDINANCE NO. 4859
ORDINANCE APPROVING AND AUTHORIZING THE EXECUTIVE
DIRECTOR TO EXECUTE SUPPLEMENTAL LEASE AGREEMENTS
AS FOLLOWS: (1) SECOND SUPPLEMENTAL AGREEMENT WITH
IMPACT TRANSPORTATION, LLC TO DECREASE PREMISES
FROM APPROXIMATELY 18.0 TO 15.5 ACRES, LOWER
ANNUAL RENT ESCALATOR FROM 5% TO 3%, AND EXTEND
THE MAXIMUM LEASE TERM BY 1.5 YEARS, RESULTING IN
NET ADDITIONAL RENT OF APPROXIMATELY \$3.0 MILLION;
AND (2) THIRD SUPPLEMENTAL AGREEMENT WITH PACIFIC
COAST CONTAINER, INC., DBA PCC LOGISTICS, TO LOWER
ANNUAL RENT ESCALATOR FROM 5% TO 3%, AND EXTEND
THE MAXIMUM LEASE TERM BY 1.5 YEARS, RESULTING IN
NET ADDITIONAL RENT OF APPROXIMATELY \$5.4 MILLION;
AND FINDING THAT THE PROPOSED ACTION IS 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 6.3, dated July 9, 2026, and related agenda materials ("Agenda Report"), 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 Impact Transportation, LLC ("Impact") and the Port and Pacific Coast Container, Inc., dba PCC Logistics ("PCC") (Impact and PCC together are "Lessees") have each separately agreed that it is to their mutual benefit to execute lease supplements (together "Lease Supplements") for their respective leases in the Seaport Logistics Complex area; now, therefore

BE IT ORDAINED by the Board 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 Supplements with Lessees 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 Second Supplemental Agreement with Impact which has the following terms:

1. Term: The term is extended by 1.5 years through June 30, 2029.
2. Premises: The warehouse portion of the premises is decreased from approximately 270,646 square feet to 162,414 square feet. Port has a unilateral right to reduce yard space by 50,000 square feet if necessary to accommodate a future tenant of the relinquished warehouse space.
3. Rent Escalator: Rent escalator is decreased from 5% to 3% resulting in the following monthly rents:

Contract Year	New Monthly Rent
5	\$224,401
6	\$231,133
7	\$238,067

Other terms and conditions of the Lease remain unchanged.

C. Port staff have negotiated and recommend entering into the Third Supplemental Agreement with PCC which has the following terms:

1. Term: The term is extended by 1.5 years through June 30, 2029.
2. Rent Escalator: Rent escalator is decreased from 5% to 3% resulting in the following monthly rents:

Contract Year	New Monthly Rent
5	\$294,977
6	\$303,826
7	\$312,941

Other terms and conditions of the Lease remain unchanged.

Section 3. The Board hereby authorizes the Executive Director or her designee to execute the Lease Supplements with Lessees, 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, July 9, 2026.
Passed to print for one day by the following vote: Ayes: Commissioners Dominguez Walton, Leslie, Martinez, Muhammad, Myres, Wong, and President Cluver - 7. Noes: 0.

Daria Edgerly,

Secretary of the Board