

PORT ORDINANCE NO. 4832

ORDINANCE APPROVING AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE SUPPLEMENTAL LEASE AGREEMENTS AS FOLLOWS: (1) SECOND SUPPLEMENTAL AGREEMENT WITH PACIFIC COAST CONTAINER, INC., DBA PCC LOGISTICS TO DECREASE PREMISES FROM APPROXIMATELY 19.2 ACRES TO 18.9 ACRES, RESULTING IN A RENT REDUCTION OF APPROXIMATELY \$50,964; AND (2) FIRST SUPPLEMENTAL AGREEMENT WITH CENTRAL VALLEY AG GRINDING, LLC TO INCREASE PREMISES FROM APPROXIMATELY 7.1 ACRES TO 8.0 ACRES, RESULTING IN ADDITIONAL RENT OF APPROXIMATELY \$143,340; AND FINDING THAT THE PROPOSED ACTION IS EXEMPT UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

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**WHEREAS**, the Board of Port Commissioners of the City of Oakland ("Board") has reviewed and evaluated the Agenda Report for Agenda Item 6.1, 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 Pacific Coast Container, Inc., dba PCC Logistics ("PCC") and the Port and Central Valley Ag Grinding, LLC ("CVAG") (PCC and CVAG together are "Lessees") have each separately agreed that it is to their mutual benefit to execute lease supplements (together "Lease Supplements");

**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 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 PCC which has the following terms:

1. Effective Date: The effective date is retroactive to March 1, 2026.
2. Premises: Premises will decrease from approximately 19.2 to 18.9 acres.
3. Rent and Rent Decreases: The rent decrease from the reduction of the reduced Premises is approximately as follows:

<b>Contract Year</b>	<b>Current Monthly Rent</b>	<b>New Monthly Rent</b>
4 (FY26)	\$288,679.00	\$286,385.00
5	\$303,113.00	\$300,704.00
6	\$318,269.00	\$315,740.00

4. Security Deposit: Remains equal to three months' rent; decreases commensurate with the proposed rent reduction.

Other terms and conditions of the Lease remain unchanged.

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

1. Effective Date: The effective date is April 15, 2026.
2. Premises: Premises will increase from approximately 7.1 to 8.0 acres. The new Premises includes approximately 1,215 linear feet of railroad track ("CVAG Spur").
3. Rent and Rent Increases: The rent increase from the increase of the Premises is approximately as follows:

<b>Contract Year</b>	<b>Current Monthly Rent</b>	<b>New Monthly Rent</b>
4 (FY26)	\$72,708.00	\$79,428.00
5	\$76,343.00	\$83,400.00
6	\$80,160.00	\$87,696.00

4. Security Deposit: Remains equal to three months' rent; increases commensurate with the proposed rent increase.
5. Environmental Exhibit: Replaced with new updated exhibit.
6. Operating Requirements and Other Terms: Port has the right to audit the books and records of CVAG related to the Agreement or Premises, including records pertaining to laws administered by the Federal Railroad Administration ("FRA"). CVAG must comply with

certain specified requirements for Class I track infrastructure as set forth in 49 CFR Part 213 - Track Safety Standards and adhere to a specified track inspection schedule, subject to Port reimbursement for reasonable cost of inspections.

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, March 26, 2026. Passed to print for one day by the following vote: Ayes: Commissioners Dominguez Walton, Leslie, Muhammad, Myres, Wong and President Cluver - 6. Noes: 0. Excused: Commissioner Martinez - 1.

Daria Edgerly,

Secretary of the Board