

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

PORT ORDINANCE NO. 4517

ORDINANCE APPROVING A SECOND AMENDMENT TO SPACE USE PERMIT FOR NON-EXCLUSIVE RENTAL CAR CONCESSION WITH AVIS BUDGET CAR RENTAL, LLC; ENTERPRISE RENT A CAR COMPANY OF SAN FRANCISCO; FOX RENT A CAR, INC.; AND THE HERTZ CORPORATION TO (I) AMEND THE MINIMUM ANNUAL GUARANTEE FOR YEAR 1, (II) WAIVE THE YEAR 1 ANNUAL REPORT DEADLINE, (III) ISSUE A RENT CREDIT FOR EXPANSION SPACE FOR THE MONTHS OF NOVEMBER AND DECEMBER OF 2017, AND (IV) EXTEND THE DUE DATE FOR ALL REIMBURSEMENT REQUESTS FROM CUSTOMER FACILITY CHARGES.

WHEREAS, at its meeting on May 18, 2017, the Board of Port Commissioners ("Board") approved a Space Use Permit for Non-Exclusive Rental Car Concession and an Amendment to Space Use Permit for Non-Exclusive Rental Car Concession (as amended, the "SUP") with Avis Budget Car Rental, LLC; Enterprise Rent A Car Company of San Francisco; Fox Rent A Car, Inc.; and The Hertz Corporation; and

WHEREAS, the Board has reviewed and evaluated the Agenda Report Item 6.3, dated April 25, 2019 ("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, that 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; now, therefore

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

Section 1. The Board hereby approves the terms and conditions of the Second Amendment to Space Use Permits for Non-Exclusive Rental Car Concession with Avis Budget Car Rental, LLC; Enterprise Rent A Car Company of San Francisco; Fox Rent A Car, Inc.; and The Hertz Corporation (collectively, the "Permittees"), for premises at the Customer Service Building (7600 Earhart Road), (i) adjusting the Minimum Annual Guarantees for the Permittees for Year 1 of the SUP as set forth in the Agenda Report, (ii) waiving the Year 1 Annual Report deadline, (iii) issuing rent credits for the months of November and December 2017 for the Expansion Space, and (iv) approving an extension of the due date from June 30, 2018, to December 31, 2019, for requests for reimbursements from Customer Facility Charges in connection with the Permittee's capital improvements.

Section 2. The Board hereby authorizes the Executive Director to execute the Second Amendment to Space Use Permits for Non-Exclusive Rental Car Concession and such additional documents as may be necessary to

effectuate the proposed transactions, subject to the Port Attorney's approval as to form and legality.

Section 3. The Board hereby finds and determines that the proposed actions are categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines. The general rule in Section 15061(b)(3) of the CEQA Guidelines states that CEQA applies only to activities that have a potential for causing a significant effect on the environment and it can be seen with certainty that there is no possibility that the modifications to the SUPs will result in a physical change in the environment. Therefore, this action is not subject to CEQA and no further environmental review is required.

Section 4. This ordinance is not evidence of and does not create or constitute (a) a contract or lease, entitlement or property interest, or (b) any obligation or liability on the part of the Board or any officer or employee of the Board. Unless and until separate written agreement(s) are duly executed on behalf of the Board as authorized by this ordinance, is signed and 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(s).

The Board of Port Commissioners, Oakland, California, April 25, 2019. Passed to print for one day by the following vote: Ayes: Commissioners Colbruno, Cluver, Leslie and President Butner - 4. Excused: Commissioners Lee, Martinez and Story - 3. Noes: 0.

Daria Edgerly

Secretary of the Board

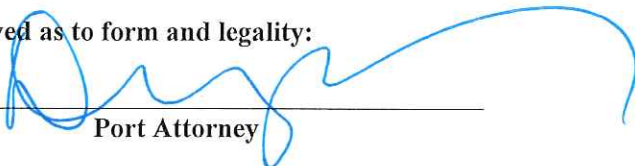
Adopted at a Regular Meeting held May 9, 2019
by the following vote:

Ayes: Commissioners Colbruno, Cluver, Leslie, Martinez, Story and
President Butner - 6

Abstained: Commissioner Lee - 1

Noes: 0

Approved as to form and legality:



Port Attorney

Attest:



President.


Secretary.

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

PORT ORDINANCE NO. 4518

ORDINANCE (I) APPROVING AMENDMENT NO. 4 TO SPACE/USE PERMIT FOR NON-EXCLUSIVE IN-TERMINAL ADVERTISING CONCESSION WITH CLEAR CHANNEL OUTDOOR DBA CLEAR CHANNEL AIRPORTS TO EXTEND THE TERM UNTIL JUNE 30, 2020 WITH GUARANTEED MONTHLY RENT OF \$10,000, (II) WAIVING THE RESTRICTION IN RESOLUTION NO. 16-144 - RESOLUTION APPROVING A RESTATEMENT, AFFIRMATION AND UPDATE TO THE BOARD'S POLICY FOR AWARDED CONCESSION AND CUSTOMER SERVICE PRIVILEGES AT THE TERMINAL COMPLEX AT OAKLAND INTERNATIONAL AIRPORT, (III) CONSENTING TO THE CORPORATE RESTRUCTURING OF CLEAR CHANNEL, AND (IV) AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AMENDMENT NO. 4 AND ANY OTHER NECESSARY AGREEMENTS WITH CLEAR CHANNEL.

WHEREAS, on June 17, 2008, the Board of Port Commissioners of the City of Oakland ("Board") adopted Ordinance No. 4060 approving a Space/Use Permit ("SUP") with Clear Channel Outdoor dba Clear Channel Airports ("Clear Channel") for a term of ten years, commencing July 1, 2008, and terminating June 30, 2018, with initial rent of the higher of a minimum annual guarantee ("MAG") of \$9.1 Million and 50% of gross receipts; and

WHEREAS, on September 28, 2009, the Board approved Amendment No. 1 to the SUP adjusting the MAG from \$9.1 Million to \$8.6 Million and increasing the percentage of gross receipts from 50% to 60%; and

WHEREAS, on February 23, 2017, the Board approved Amendment No. 2 to the SUP to correct and resolve rental calculation issues identified following the Port of Oakland's ("Port") Office of Audit Services' audit of Clear Channel from January 1, 2012, through December 31, 2014; and

WHEREAS, on June 14, 2018, the Board approved Amendment No. 3 to the SUP to extend on a month-to-month basis the SUP to no later than March 31, 2019, at a new, reduced MAG of \$35,000/month; and

WHEREAS, the Board has reviewed and evaluated the Agenda Report for Agenda Item 6.4, dated April 25, 2019 (the "Agenda Report") and related agenda materials, has received the expert testimony of Port

staff, and has provided opportunities for and taken public comment; 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 approves the terms and conditions set forth in the Agenda Report for the Amendment No. 4 to SUP with Clear Channel to extend the term of the current SUP to June 30, 2020 (including Clear Channel's subtenancy agreement with CNN Airport Network to provide video entertainment in the holdrooms) at a new minimum monthly guarantee of \$10,000/month, while maintaining the requirement that Clear Channel pay 60% of gross revenues, and requiring Clear Channel to remove approximately 13 existing sign locations and improvements including all in-holdroom combo signs throughout the terminal complex and delegating authority to the Director of Aviation to require, on 30-days written notice, the removal of up to five additional signs as indentified by the Port and as may be necessary during the extended term, as described in the Agenda Report.

Section 3. The Board hereby exempts the proposed extended fifteen-month term from the prohibition in Resolution No. 16-144 that there be no extensions to any concession agreement and confirm that the Board finds it will be in the best interest of the Airport to negotiate the terms and conditions of Amendment No. 4 with Clear Channel.

Section 4. The Board hereby consents to the corporate restructuring of Clear Channel involving IHeartMedia, Inc.; Clear Channel Outdoor Holdings, Inc.; and Clear Channel Holdings, Inc.; and waives the document production requirements and the \$2,500 processing fee as specified in the SUP.

Section 5. The Board hereby authorizes the Executive Director to execute Amendment No. 4 to the SUP and any other necessary agreements with Clear Channel, subject to approval as to form and legality by the Port Attorney.

Section 6. The Board hereby finds and determines that renewals, extensions or amendments to leases or to license and concession agreements, or the execution of leases or license and concession agreements, where the premises or license activity was previously leased or licensed to the same or another person and involving negligible or no expansion of use beyond that previously existing is categorically exempt from the California Environmental Quality Act ("CEQA").

Section 7. This ordinance is not evidence of and does not create or constitute (a) a contract(s), 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 Board. Unless and until a separate written contract 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 other contracting party, there shall be no valid or effective contract.

The Board of Port Commissioners, Oakland, California, April 25, 2019. Passed to print for one day by the following vote: Ayes: Commissioners Colbruno, Cluver, Leslie and President Butner - 4. Excused: Commissioners Lee, Martinez and Story - 3. Noes: 0.

Daria Edgerly

Secretary of the Board

Adopted at a Regular Meeting held May 9, 2019
by the following vote:

Ayes: Commissioners Colbruno, Cluver, Leslie, Martinez, Story and
President Butner - 6

Abstained: Commissioner Lee - 1

Noes: 0



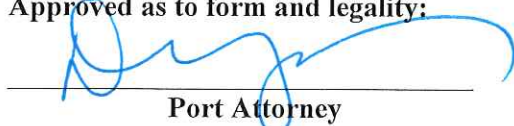
President.

Attest:



Secretary.

Approved as to form and legality:


Port Attorney