

## AGENDA REPORT

**Ordinance:** Approval of an Amendment No. 1 to a Temporary Rental Agreement with Auto Plus Towing, LLC for a One (1) Month Extension of Term for the Premises Located at Swan Way and Doolittle Drive, Oakland. **(CRE)**

**MEETING DATE:** 6/22/2017

**AMOUNT:** \$29,141.00 (FY 16/17)  
Revenue

**PARTIES INVOLVED:** Auto Plus Towing, LLC, Sean Rawlings, Owner

**SUBMITTED BY:** Pamela Kershaw, Director of Commercial Real Estate

**APPROVED BY:** J. Christopher Lytle, Executive Director

**ACTION TYPE:** Ordinance

### **EXECUTIVE SUMMARY**

The subject Agenda Report is a request for Board approval of an Amendment No. 1 to an existing Temporary Rental Agreement ("TRA") with Auto Plus Towing, LLC ("Auto Plus") to extend the term of their existing TRA for one month to June 30, 2017. Staff requests authorization for the Executive Director to execute all documents as may be appropriate to consummate this transaction.

### **BACKGROUND**

Auto Plus Towing, LLC and the Port executed a twelve (12) month Temporary Rental Agreement for three (3) acres of land located at Swan Way and Doolittle Drive, which commenced June 1, 2016 and expired on May 31, 2017.

Auto Plus holds a five (5) year contract agreement with the City of Oakland to provide vehicle towing services and the Swan/Doolittle site has served as an auxiliary impound site for their operations. Auto Plus has requested a one (1) month extension to their TRA expiration date to allow them time to remove all vehicles and perform their premises clean up as required under their TRA with the Port. Auto Plus pays a monthly rent of \$29,141.00 to the Port.

## **ANALYSIS**

Auto Plus occupies 3 acres of Port land located at the corner of Swan Way and Doolittle Drive adjacent to United Parcel Service (“UPS”) who occupies the remaining adjacent 3.5 acres of this same parcel under a License and Concession Agreement, which expires in 2039. Auto Plus plans to relocate their operations from this existing 3-acre site to their other existing property elsewhere in Oakland, but not on Port owned property. Auto Plus has agreed to pay their monthly rent of \$29,141.00 during the proposed one (1) month extension term, which is consistent with the Target Rental Rates approved by the Board.

Based on the analysis contained within this Agenda Report, staff believes that the requested one-month extension to the TRA is appropriate in order to allow Auto Plus additional time to vacate the premises and return the property to the condition required pursuant to the terms of the TRA.

## **BUDGET & STAFFING**

The proposed revenues will increase the FY 16/17 CRE budget by \$29,141 as no revenues were budgeted for the month of June 2017.

The proposed action will have no impact on staffing as the existing property is currently managed by existing CRE Division staff.

## **MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)**

The matters contained in this Agenda Report do not fall within the scope of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) and the provisions of the MAPLA do not apply.

## **STRATEGIC PLAN**

The action described herein would help the Port achieve the following goals and objectives in the Port’s Strategic Plan:

Goal B: Maintain and Aggressively Grow Core Businesses

- Goal B: Objective 1: Retain existing customers and tenants.

Goal D: Improve the Port’s Financial Position

- Goal D: Objective 1: Improve cash position and debt service coverage ratio (DSCR).

## **LIVING WAGE**

Living wage requirements, in accordance with the Port’s Rules and Regulations for the Implementation and Enforcement of the Port of Oakland Living Wage Requirements (the

“Living Wage Regulations”), do not apply to this matter because tenancies outside of the Aviation and Maritime areas with entities that do not principally provide aviation or maritime services are excluded from the Living Wage Regulations.

## **ENVIRONMENTAL**

CEQA Determination: The action proposed in this Agenda Report involves amending the existing Temporary Rental Agreement with Auto Plus Towing, LLC to extend the term for one (1) month. Executing this amendment has been determined to be categorically exempt from the California Environmental Quality Act (CEQA) Guidelines pursuant to Section 15301, Existing Facilities, which exempts the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency’s determination. The amendment will not have a significant effect on the environment and therefore will not require further environmental review.

## **GENERAL PLAN**

This action does not change the use of any existing facility, make alterations to an existing facility, or create a new facility; therefore, a General Plan conformity determination pursuant to Section 727 of the City of Oakland Charter is not required.

## **OWNER-CONTROLLED INSURANCE PROGRAM (OCIP)**

The Owner Controlled Insurance Program (OCIP) does not apply to the matters addressed by this Agenda Report as they are not capital improvement construction projects.

## **OPTIONS**

1. Approve the proposed Amendment No. 1 to the Temporary Rental Agreement with Auto Plus Towing, LLC for a one (1) month extension for the premises located at Swan Way and Doolittle Drive, Oakland, subject to the terms described in this Agenda Report. This is the recommended option.
2. Do not approve the proposed Amendment No. 1 to the Temporary Rental Agreement with Auto Plus Towing, LLC for a one (1) month extension for the premises located at Swan Way and Doolittle Drive.
3. Approve the proposed Amendment No. 1 to the Temporary Rental Agreement with Auto Plus Towing, LLC but direct staff to negotiate alternative terms for the proposed Amendment, which, depending on the nature of the alternative terms, may prove unacceptable to the tenant.

## **RECOMMENDATION**

Staff recommends that the Board approve the proposed Amendment No. 1 to the Temporary Rental Agreement with Auto Plus Towing, LLC for a one (1) month extension of term for the premises located at Swan Way and Doolittle Drive, subject to the other terms and conditions as described within this Agenda Report, and authorize the Executive Director to execute all documents as may be appropriate to consummate this transaction, subject to the Port attorney's approval as to form and legality.

Exhibit A: Site Plan

**Exhibit A – Site Map**

Auto Plus Towing, LLC Premises  
Swan Way and Doolittle Drive

