

AGENDA REPORT

Ordinance: Approve a *Grant of Easement* with the City of San Leandro for Approximately 18,000 square feet of Port Owned Real Property within Eden Road for a Sixty-Six (66) Year Term, Commencing Approximately July 1, 2018, for No Monetary Consideration. **(Aviation)**

MEETING DATE: 3/8/2018

AMOUNT: No Monetary Consideration

PARTIES INVOLVED: **City of San Leandro**
San Leandro, California
Keith Cooke, Director of Engineering and
Transportation Department

SUBMITTED BY: Bryant L. Francis C.M., Director of Aviation

APPROVED BY: J. Christopher Lytle, Executive Director

ACTION TYPE: Ordinance

EXECUTIVE SUMMARY

This action would authorize a *Grant of Easement* with the City of San Leandro, and delegate authority to the Executive Director to execute the Grant of Easement.

BACKGROUND

On December 3, 2015, the Board adopted Ordinance No. 4359 for the execution of an Easement Agreement with the City of San Leandro for long-term easement rights conveyed to the Port of Oakland (Port), to a 1,800 linear foot portion of the Airport Perimeter Dike (APD) that is located within the City of San Leandro (the "ADP Easement"). The ADP Easement supports the Port's APD Project, which will comply with Federal Emergency Management Agency (FEMA) flood control standards and protect Oakland International Airport (OAK) from potential flooding.

In exchange for the Port receiving the long-term ADP Easement rights from San Leandro, it is contemplated that the Port will convey long-term easement rights to the City of San Leandro for approximately 18,000 square feet of Port owned real property within Eden Road, through the proposed separate *Grant of Easement* (the "Eden Road Easement"). The City of San Leandro plans to incorporate the Eden Road Easement, along with the San Leandro controlled portion of Eden Road, into the public improvement project that will greatly improve Eden Road and eventually connect Doolittle Drive with Davis Street.

The requested *Grant of Easement* from the Port to the City of San Leandro (for the Eden Road public improvements), and the reciprocal ADP Easement from the City of San Leandro to the Port (as previously authorized by Ordinance No. 4359, for the APD Project), will be executed, and transacted simultaneously.

For the respective sixty-six (66) year term of easement rights to be mutually conveyed, the ADP Easement and the Eden Road Easement will commence approximately July 1, 2018, and expire approximately June 30, 2084.

ANALYSIS

The requested action approves the terms and conditions as specified below, and authorizes the Executive Director to execute a *Grant of Easement*.



Illustration of designated area along Eden Road (Port area) to be conveyed to City of San Leandro

Premises: Approximately 18,000 square feet of real property within the “Port Area” side of Eden Road.

Use: Ingress and egress rights to the City of San Leandro for the construction, maintenance, and repair of public improvements consisting of a two-lane roadway connecting Doolittle Drive and Davis Street in San Leandro.

Term: Sixty-six (66) years commencing approximately July 1, 2018. Sixty-six (66) years is the maximum term allowed by City Charter.

Payment: No monetary consideration. In exchange for this Grant of Easement, the value of the easement area to the City of San Leandro, attributable to the Eden Road roadway work, is equivalent to the value of the City of San Leandro's real property to be used for the APD Project. In addition, all costs of improving Eden Road will be borne by the City of San Leandro.

Oakland

Golf: A portion of the Premises is encumbered by the *Lease* between the Port and the City of Oakland and the *Sublease and Operating Agreement* between the City and Oakland Golf, LLC, operator of Metropolitan Golf Links. Pursuant to prior Board-approved agreements, the impacted area has been deleted from both the *Lease* and the *Sublease*. Also, any costs of relocating golf course improvements – including the driving range fencing – will be the financial responsibility of Oakland Golf, LLC.

Adjacent

Property: The City of San Leandro's improvement of Eden Road will enhance the marketability of the Port's currently-vacant, triangular-shaped 4.4± acre parcel at the corner of Eden Road and Doolittle Drive.

BUDGET & STAFFING

The requested action has no budget or staffing impact.

MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)

The requested action is not within the scope of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) and the provisions of MAPLA do not apply.

STRATEGIC PLAN

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

(<http://www.portofoakland.com/pdf/about/strategicPlan2011-2015.pdf>)

Goal A: Create Sustainable Economic Growth for the Port and Beyond

- Goal A: Objective 1: Maximize use of existing assets.

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 because the requested action is not an agreement, contract, lease, or request to provide financial assistance within the meaning of Living Wage regulations.

ENVIRONMENTAL

California Environmental Quality Act (CEQA) Guidelines Section 15061(b) (3) states that CEQA applies only to activities that have a potential for causing a significant effect on the environment. The requested action will not result in a physical change in the environment, and therefore is exempt from CEQA and no further environmental review is required.

GENERAL PLAN

This action does not change the use of any existing facility, alter 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)

This action is not subject to the Port's Owner Controlled Insurance Program (OCIP) as it is not a capital improvement construction project.

OPTIONS

1. Approve the terms and conditions of the Grant of Easement with the City of San Leandro and authorize the execution by the Executive Director. This is the staff recommendation.
2. Do not approve the terms and conditions of the Grant of Easement with the City of San Leandro, which will jeopardize executing the previously approved Easement Agreement that supports the Airport Perimeter Dike Project.
3. Do not approve the terms and conditions of the Grant of Easement with the City of San Leandro, but authorize different terms and conditions.

RECOMMENDATION

It is recommended that the Board adopt an Ordinance to approve the Grant of Easement with the City of San Leandro for a term of sixty-six (66) years for no monetary consideration, and authorize the Executive Director to execute the Grant of Easement subject to Port Attorney's review and approval as to form and legality.