

**BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND**

4/12/18
ITEM #: 6.8
ESP/CT

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ORDINANCE APPROVING AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE WITH GSC LOGISTICS, INC. A SECOND AMENDMENT TO LEASE FOR 7,777 SQUARE FEET OF PREMISES LOCATED AT 530 WATER STREET, 5TH FLOOR, OAKLAND, (INCLUDING A LICENSE FOR 5 SQUARE FEET OF ROOFTOP SPACE) AND A NEW LICENSE AND CONCESSION AGREEMENT FOR 1,918 SQUARE FEET OF PREMISES LOCATED AT 516 WATER STREET, OAKLAND, BOTH FOR A TERM OF APPROXIMATELY FIVE (5) YEARS AND A COMBINED MONTHLY RENT OF \$32,090.00.

WHEREAS, the Board of Port Commissioners of the City of Oakland ("Board") has reviewed and evaluated the Agenda Report for Agenda Item 6.8, dated April 12, 2018 (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 Charter of the City of Oakland ("City") 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 service for members of the public who use the waterfront, 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 pursuant to the agreements will not interfere with the Tidelands Trust; 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. GSC Logistics, Inc. ("GSC Logistics") is currently the lessee under a Lease for 7,777 square feet of office space at 530 Water Street, 5th Floor, Oakland; and

B. GSC Logistics is currently a licensee under an Antenna Site License Agreement for approximately five square feet of rooftop space at 530 Water Street, Oakland; and

C. GSC Logistics is currently a Permittee under a Temporary Rental Agreement for 1,918 square feet of ground floor space located at 516 Water Street, Oakland; and

D. Port staff have negotiated and recommend entering into the following agreements with GSC Logistics under the terms described in the Agenda Report, including (without limitation) the following:

1. Agreement: Lease Amendment No. 2

- i. Premises: 530 Water Street, Oakland, 5th Floor (consisting of 7,777 square feet of office space) and 5 square feet of rooftop space.
- ii. Term: June 1, 2018, through June 30, 2023.
- iii. Minimum Monthly Rent: \$27,997.00, increased annually by 3%.
- iv. Common Area Maintenance and Operating Cost Reimbursement: \$445.00 monthly, increased annually by 5%.
- v. Rooftop Antenna License: \$190.00 per month.

2. Agreement: License and Concession Agreement

- i. Premises: 516 Water Street, Oakland (consisting of 1,918 square feet of office space).
- ii. Term: April 15, 2018, through June 30, 2023.
- iii. Minimum Monthly Rent: \$3,903.00, increased annually by 3%.
- iv. Common Area Maintenance and Operating Cost Reimbursement: \$1,586.00 monthly, increased annually by 5%.

E. The Board further finds and determines that the proposed approval is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15301, 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.

Section 3. The Board hereby authorizes the Executive Director or his designee to execute the proposed agreements with **GSC Logistics, Inc.**, 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 Board. 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.

DRAFT

President.

Attest: _____
Secretary.

Approved as to form and legality:

Port Attorney