

PORT ORDINANCE NO. 4514

ORDINANCE APPROVING (I) FOURTH SUPPLEMENT AND AMENDMENT TO LEASE AND OPTION TO LEASE TO A LEASE DATED SEPTEMBER 1, 2011, ORIGINALLY BETWEEN THE PORT OF OAKLAND AND BUSINESS JET CENTER-OAKLAND, L.P., NOW WITH PIEDMONT HAWTHORNE AVIATION, LLC, DOING BUSINESS AS SIGNATURE FLIGHT SUPPORT, TO AMEND THE PREMISES, ADJUST FACILITIES RENT AND CHANGE THE RENT ADJUSTMENT DATES, AND (II) A THIRD AMENDMENT TO LEASE TO A LEASE DATED NOVEMBER 1, 2011 WITH PIEDMONT HAWTHORNE AVIATION, LLC, DOING BUSINESS AS SIGNATURE FLIGHT SUPPORT TO ADJUST THE FACILITIES RENT AND RENT ADJUSTMENT DATES, FOR PREMISES LOCATED AT THE NORTH FIELD OF OAKLAND INTERNATIONAL AIRPORT.

WHEREAS, Piedmont Hawthorne Aviation, LLC, doing business as Signature Flight Support ("Signature"), through its predecessor Business Jet Center-Oakland, L.P. entered into a Lease and Option to Lease dated September 1, 2011 (as amended, "BJCO Lease") with the City of Oakland, acting by and through its Board of Port Commissioners ("Port"); and

WHEREAS, Signature entered into a Lease dated November 1, 2011 (as amended, "Landmark Lease") with the Port; and

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 28, 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 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 (i) Fourth Supplement and Amendment to Lease and Option to the Lease to the BJCO Lease to expand the Hangar 8B Premises to include Residual Apron space, increase the Facilities Rent by \$3,548.50 per month for the Residual Apron space, acknowledge the demolition of Building No. L158 and reduction of rent from \$0.398 per square foot per month to \$0.080 per square foot per month, waive the requirement for the Rent Adjustment Upon Assignment for the Port's previous consent to assignment, suspend the contractually-required adjustment dates of Facilities Rent until July 1, 2021 and establish the Facilities Rent for September 1, 2015 through February 28, 2019 at \$170,463.53 per month, and March 1, 2019 through June 30, 2021 at \$170,699.70 per month, and revise the Rent Adjustment Date from September 1st to July 1st, as described in the Agenda Report, and (ii) Third Amendment to Lease to the Landmark Lease to waive the requirement for the Rent Adjustment Upon Assignment for the Port's previous consent to assignment, revise the Rent Adjustment Date from

November 1st to July 1st, and suspend the contractually-required adjustment dates of Facilities Rent until July 1, 2021 and establish the Facilities Rent at \$213,815.70 per month for the period March 1, 2019 through June 30, 2021, as described in the Agenda Report.

Section 3. The Board hereby authorizes the Executive Director to execute the Fourth Supplement and Amendment to Lease and Option to the Lease, the Third Amendment to Lease and any other documents to affect the proposed transactions as described in the Agenda Report, subject to approval as to form and legality by the Port Attorney.

Section 4. The Board hereby finds and determines that the lease amendments with Signature are 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.

Section 5. 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, March 28, 2019. Passed to print for one day by the following vote: Ayes: Commissioners Colbruno, Lee, Leslie, Martinez, Story and President Butner - 6. Excused: Commissioner Cluver - 1. Noes: 0.

Daria Edgerly

Secretary of the Board