

BOARD OF PORT COMMISSIONERS
CITY OF OAKLAND

6/13/19
ITEM NO.: 6.6
ESP/vt
EP

ORDINANCE APPROVING A 4% INCREASE EACH YEAR FOR THE
NEXT THREE YEARS TO THE TARGET RENTAL RATES FOR
SHORT-TERM RENTAL AGREEMENTS AND THE HOLDOVER RENTAL
RATES FOR CERTAIN EXISTING PROPERTY RENTAL AGREEMENTS
WITHIN THE COMMERCIAL REAL ESTATE DIVISION PORTFOLIO.

WHEREAS, the Board of Port Commissioners of the City of Oakland ("Board") has reviewed and evaluated the Agenda Report for Agenda Item 6.6, dated June 13, 2019 (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; 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. Increasing the Target Rental Rates and the Holdover Rental Rates by 4% every year for a period of three years, as proposed in the Agenda Report, will make such rates more consistent with comparable rates and conditions in the surrounding area, be generally consistent with Maritime Tariff rates for comparable properties, and align with comparable market rental rates appropriate for the specific land use type and asset condition in the local area, while minimizing the potential disruption to existing holdover tenants; and

B. The proposed approval to increase Target Rental Rates and Holdover Rental Rates as described in Attachments C and D to the Agenda Report is not subject to the requirements of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15061(b)(3), which states the "general rule" that CEQA applies only to projects that have the potential for causing a significant effect on the environment, because the proposed action will not have a significant effect on the environment and therefore is not a project under CEQA and no further environmental review is required.

Section 3. The Board hereby:

A. Approves the proposed annual increase in (i) Target Rental Rates by 4%, and (ii) Holdover Rental Rates by 4% for certain existing property rental agreements, each for the next three years, as further described in the Agenda Report; and

B. Authorizes the Executive Director or his designee to negotiate and execute such new agreements or adjustments to existing agreements in accordance with the newly approved Target Rental Rates and Holdover Rental Rates, subject to approval by the Port Attorney as to form and legality.

Section 5. 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