

AGENDA REPORT

Ordinance: Adoption of an Ordinance Approving an Amendment to Extend the *Space/Use Permit* with Civil Air Patrol Operating at Oakland International Airport for one year to June 30, 2022, with annual consideration of \$1. **(Aviation)**

MEETING DATE: 4/22/2021

AMOUNT: \$1 (FY 21/22) Revenue

PARTIES INVOLVED: **Civil Air Patrol**
Oakland, CA
Jordan Hayes, Commander

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

APPROVED BY: Danny Wan, Executive Director

ACTION TYPE: Ordinance

EXECUTIVE SUMMARY

This action would give first reading to an ordinance to (i) approve the terms and conditions of a *Second Amendment* (“*Second Amendment*”) to the *Space/Use Permit* (“*SUP*”) with Civil Air Patrol (“CAP”) who is a squadron of the U.S. Air Force Auxiliary operating in the North Field at Oakland International Airport (“OAK”); and (ii) authorize the Executive Director to execute this *Amendment* and any other documents required to effect the transaction detailed below.

BACKGROUND

CAP was formed during the earliest days of World War II, as an organization of citizen airmen founded to mobilize the nation's civilian aviation resources for national defense service, CAP has evolved into a premier public service organization that still carries out emergency service missions when needed, in the air and on the ground. As an Auxiliary of the U.S. Air Force, CAP is there to search for and find the lost, provide comfort in times of disaster, and work to keep the homeland safe.

CAP has been a fixture at OAK (in various locations) since 1955. In July 2019 the Port executed the *SUP* with CAP that allows CAP to occupy Port Building L-105 (“L-105”) located at 9636 Earhart Road (blue outline), and the surrounding parking lot (red outline) (“Figure 1”). In May 2020 the Port executed a *First Amendment* to the *SUP* extending the termination date to June 30, 2021. CAP uses L-105 as its headquarters at OAK for its operations. L-105 is designated a part of the site for the future hotel development (yellow outline) (“Figure 2”) and is temporarily rented to CAP under the *SUP*, until the hotel project commences construction.

Figure “1” – Lease Premises



The *SUP* commenced on July 1, 2019 and will terminate on June 30, 2021. CAP has requested that the termination date for the *SUP* be extended for as long as administratively possible.

Figure “2” – Potential Hotel Development Site



ANALYSIS

Based on the timeline and plans for the development of the hotel site, the *SUP* should be extended for only an additional one year. If the Board approves the *Second Amendment*, the *SUP* will have a total term of three years, originally commencing July 1, 2019 and now terminating on June 30, 2022, still terminable by either party upon 30-day written notice, and with no Options to Extend. The Premises consists of approximately 26,313 square feet ("SF") of office space, paved land, and parking space. Consistent with the existing *SUP*, the annual rent will be continued at \$1 for the entire term of the *SUP*, as amended, with no adjustments. The specific terms and conditions of the *SUP* are shown in detail on Exhibit "A".

Consistent with the Department of Transportation, Federal Aviation Administration's *Policy and Procedures Concerning the Use of Airport Revenues, February 16, 1999* (Section VII, Paragraph E) and in acknowledgement of CAP's tangible and intangible benefits to the Airport and the community, CAP currently pays \$1 per year in rent and will continue through the proposed one-year term of *Second Amendment*:

Tangible Benefits:

1. Monitoring and securing of spurious emergency locator transmitter signals on any Airport aircraft or hangar locations;
2. On-Airport emergency preparedness and disaster relief practice exercises or actual crises support; and,
3. Aerial surveillance as requested by the Port upon mutually agreeable terms and conditions.

Intangible Benefits:

1. Safety vigilance to Airport tenants as well as aircraft operators;
2. Coordination with Alameda County Office of Emergency Services as well as Oakland Fire Department's CORE (Citizens of Oakland Respond to Emergencies) e.g. coastal and tsunami alerts;
3. Department of Homeland Security support as directed by State of California and Alameda County;
4. EMS aid as directed by the Oakland Chapter of American Red Cross; and,
5. Emergency VHF radio communication access in blackout events

BUDGET & STAFFING

There is no budget or staffing impact.

MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)

The matters included 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 Business Plan (2018-2022).

<https://www.portofoakland.com/wp-content/uploads/Port-of-Oakland-Strategic-Plan.pdf>

Goal: Improve Customer Service

Goal: Serve Our Community

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 agreement as the tenancy agreement is not expected to generate greater than \$50,000 in payments to the Port over the term of the tenancy agreement. However, the tenant will be required to certify that should living wage obligations become applicable, the tenant shall comply with the Living Wage Regulations.

SUSTAINABILITY

The tenant has not proposed any development for the leased area. If the tenant decides to develop the site in the future, the tenant must comply with the 2000 Sustainability Policy and complete the Sustainability Opportunities Assessment Form.

ENVIRONMENTAL

CEQA Determination: This action has been determined to be categorically exempt from requirements of 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 existing or former use. No changes to the premises or use are proposed.

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)

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

OPTIONS

1. Adopt an Ordinance that provides for the following:
 - a. Approve the terms and conditions of the *Second Amendment* which extends the *Space/Use Permit* with Civil Air Patrol for one year to June 30, 2022, as outlined above, thereby permitting CAP to continue to operate in the North Field at Oakland International Airport.
 - b. Authorize the Executive Director's execution of the *Second Amendment* with CAP.

This is the recommended action.

2. Do not approve the *Second Amendment* with Civil Air Patrol, as outlined above which would result in the *SUP* terminating as scheduled on June 30, 2021, leading to the non-operations of Civil Air Patrol and the ultimate closing down of the OAK squadron.
3. Do not approve the *Second Amendment* with Civil Air Patrol as outlined above and proposed by Staff, but recommend different terms and conditions and instruct Staff to negotiate with CAP.

RECOMMENDATION

It is recommended the Board adopt an Ordinance:

- Approving the terms and conditions of the *Second Amendment* which extends the *Space/Use Permit* with Civil Air Patrol originally commencing July 1, 2019 and now expiring June 30, 2022, with no options to extend the *SUP* with annual rent at \$1; and,
- Authorizing the Executive Director to execute the *Second Amendment* with Civil Air Patrol and any other documents to effect the proposed transactions;

All subject to approval by the Port Attorney as to form and legality.

Exhibit "A"

Terms and Conditions of Amended SUP with Civil Air Patrol

<u>TERMS</u>	
Tenant:	Civil Air Patrol
Lease Premises: ¹ As noted on the drawing below.	<u>Parcel L-105¹</u> Office – 8,313 sf (blue outline) Paved Land – 3,000 sf (red outline) Parking – 15,000 sf (red outline)
Condition of Premises:	Permittee previously agreed to take possession of the Premises in its "as-is" condition. Port shall have no maintenance or repair responsibilities.
Permitted Use:	The Premises shall be used as squadron headquarters, at the request of the Federal Aviation Administration for search and rescue for missing or crashed aircraft and/or pilots and passengers, assistance in county disaster preparedness exercise and response, flight academy for aviation-oriented youth and cadet program.
Initial Term:	1-Year via <i>SUP</i>
Extended Term:	1 Year by <i>First Amendment</i> and 1 Year by <i>Second Amendment</i> ()
Commencement Date:	July 1, 2019 through <i>SUP</i>
Expiration Date:	June 30, 2022 if <i>Second Amendment</i> is approved
Termination:	Either party may terminate upon 30 days' written notice
Annual Rent:	\$1, with no Rent adjustments
Performance Deposit:	\$0

