

**From:** Monetta, John

**Sent:** January 15, 2022

**Cc:** Moriarty, Brendan <[bmoriarty@oaklandca.gov](mailto:bmoriarty@oaklandca.gov)>; Su, Jinnhua <[jsu@oaklandca.gov](mailto:jsu@oaklandca.gov)>

**Subject:** 399 Burma Notice of Lease Opportunity - Response to Questions

Dear All:

Thank you for your interest in the property at 399 Burma Road. I am attaching a copy of the Notice of Leasing Opportunity for 399 Burma Road. I assume most, if not all, of you have seen and read it. If you have not, please do. As noted in the Notice of Leasing Opportunity, the City is accepting offers for the 2.07-acre property at 399 Burma Road. Some more basic information on the process:

1. We are accepting proposals until 5 pm PST on Friday, January 28, 2022.
2. The proposal should be in the form of a basic letter of intent and should address your agreement to meet the terms of the Notice of Leasing Opportunity, specifically the allowed use and the required tenant improvements. The letter of intent should include:
  - a. The monthly rent you are offering
  - b. THE USE IS LIMITED TO TRUCK PARKING WHICH CAN INCLUDE PARKING EMPTY CHASSIS OR CHASSIS WITH CONTAINERS ON THEM. CONTAINERS CANNOT BE STORED ON THE GROUND/ASPHALT, NOR CAN CONTAINERS BE STACKED.
  - c. Your legal business name and address, including the name registered with the State of California Secretary of State
  - d. Description of your business and its history (how long you have been in business and any other information you would like me to know about your business)
  - e. Name and contact information for two most recent landlords and the address of the property you leased (if you have already submitted a proposal, please email me this information as a supplemental to your proposal)
3. The proposal can be a PDF of the letter of intent, emailed to [jmonetta@oaklandca.gov](mailto:jmonetta@oaklandca.gov), or a hard copy proposal mailed to: City of Oakland, Real Estate Division, 250 Frank Ogawa Plaza, Suite 4314, Oakland, CA 94612, Attn: John Monetta. If you are mailing a proposal, please email me to let me know that you mailed it.
4. Once we have reviewed the proposals, I will contact the top three proposals to let them know the order in which the proposal ranked (1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup>). We will attempt to negotiate a lease with the 1<sup>st</sup> ranked respondent/proposal. If we are unable to reach agreement with the 1<sup>st</sup> ranked respondent/proposal, we will move onto the 2<sup>nd</sup> ranked respondent/proposal. We will then attempt to negotiate a lease with the 2<sup>nd</sup> ranked respondent/proposal. If we are unable to reach agreement with the 2<sup>nd</sup> ranked respondent/proposal, we will move onto the 3<sup>rd</sup> ranked respondent/proposal.
5. I will email the remaining respondents/proposals to thank you for your submission and let you know that you were not selected.
6. Our goal is to have a lease negotiated by February 15, 2022.
7. Below are the questions that we have received from you. Our responses are in CAPS BELOW.

## **USE**

Would stacking and storage of shipping containers be allowed for use on the site? NO. SEE MORE BELOW.

Can the land be used for parking drayage trucks, and parking of containers shipped through the Port of Oakland? Can it be used for truck ancillary services? SEE ANSWER BELOW.

On page 4 of "Notice for Leasing - 399 Burma", there is a use restriction statement:

USE RESTRICTION: Parking for drayage trucks serving Port of Oakland

The language may mean "Parking for drayage trucks serving Port of Oakland" is allowed or restricted. We would like to confirm that the use of "Parking for drayage trucks serving Port of Oakland" is allowed, as this is the business of my client's company. SEE ANSWER BELOW.

THE ASPHALT IS NOT RATED FOR CONTAINER PARKING AND STACKING. THE USE IS LIMITED TO TRUCK PARKING WHICH CAN INCLUDE PARKING EMPTY CHASSIS OR CHASSIS WITH CONTAINERS ON THEM. CONTAINERS CANNOT BE STORED ON THE GROUND/ASPHALT, NOR CAN CONTAINERS BE STACKED.

## **LEASE RATE**

What is the lease rate? THE MINIMUM OFFER IS \$13,000 PER MONTH. SEE MORE BELOW.

Would you mind providing a price range that we should include in our offer letter? Are we under a very tight competition? SEE ANSWER BELOW.

WE HAVE A NUMBER OF INTERESTED PARTIES. WHILE WE DO NOT HAVE SPECIFIC SELECTION CRITERIA, AND RESERVE THE RIGHT IN OUR SOLE AND ABSOLUTE DISCRETION TO SELECT WHICHEVER BUSINESS OR ENTITY WE CHOOSE TO SELECT, OUR PREFERENCE IS TO SELECT A BUSINESS OR ENTITY THAT MEETS ALL OF THE NOTICE OF LEASING OPPORTUNITY REQUIREMENTS, OFFERS A COMPETITIVE MONTHLY RENT OF MORE THAN \$13,000 PER MONTH, HAS A HISTORY OF OPERATING IN THE PORT, IS A TRUCK PARKING BUSINESS (ALL OPERATIONS ARE ON WHEELS), IS NOT A CONTAINER STORAGE OR STACKING BUSINESS, HAS REFERENCES THAT INDICATE THE BUSINESS IS WELL OPERATED, AND FOLLOWS THE TERMS AND CONDITIONS OF ITS LEASE, INCLUDING PAYING RENT ON TIME.

## **TERM**

Can we lease the land for more than a year? E.g., 5 or 10 years? NO. ONE YEAR TERM ONLY. SEE MORE BELOW.

After the year, does the site have plans, or is it expected to go month-to-month indefinitely?  
SEE ANSWER BELOW.

THERE ARE PLANS FOR THE SITE AFTER THE 1 YEAR. THE LEASE WILL TERMINATE, AND THE TENANT WILL NEED TO VACATE. THE DEPOSIT FOR THE LEASE WILL INCLUDE A LARGER THAN NORMAL DEPOSIT TO ENSURE THAT TENANT VACATES AFTER THE 1-YEAR TERM.

### **SURVEYING AND FENCING**

INTRODUCTORY COMMENTS: THERE IS A TEMPORARY CONSTRUCTION FENCE ON THE EASTERN SIDE (PLACED BY THE ADJACENT TRUCK PARKING OPERATION) OF 399 BURMA ROAD. THERE IS AN OLDER FENCE LINE LOCATED ON THE WESTERN EDGE (WATER SIDE) OF 399 BURMA ROAD PROPERTY WITH BARBED WIRE ON IT. THIS FENCE LINE IS OWNED BY THE US GOVERNMENT AND CANNOT BE REMOVED, MOVED, OR ALTERED.

Per the map, only the NW half of the wharf is included. Can the SE half be leased too? NO.

There are no fences on the wharf delineating boundaries. FENCING MATERIALS WILL NEED TO BE INCLUDED AROUND THIS SECTION OF THE 399 BURMA ROAD PROPERTY. THE TYPE AND LOCATION OF THIS PORTION OF FENCE WILL NEED TO BE NEGOTIATED BUT WILL MOST LIKELY BE EITHER K-RAIL, MOVEABLE CONSTRUCTION FENCE, OR A COMBINATION.

If I forgo use of the wharf area or the semicircular area (or occupy portions of those areas that are clearly less than the correct boundaries), can I avoid having to survey and install fencing materials? If I accept the current location of the adjacent truck parking operator's fencing materials on the eastern border (even though they are likely encroaching on the 399 Burma Road property), can I avoid having to survey and install fencing materials? POSSIBLY. THE NOTICE OF LEASING OPPORTUNITY ASKS THE SELECTED RESPONDENT/ PROPOSAL TO SURVEY THE BOUNDARY LINE OF THE 2.07-ACRE PARCEL AND INSTALL AN 8-FOOT, POST-DRIVEN, TEMPORARY CHAIN LINK FENCE OFFSET FROM THE SURVEYED BOUNDARY LINE. FOR THE EASTERN BORDER AND SEMICIRCULAR AREA, THIS IS WHAT IS REQUESTED AND PREFERRED BY THE CITY. LESSEE MAY INSTALL LESS PERMANENT FENCING MATERIALS FOR THE WHARF AREA AS MENTIONED ABOVE. A LEGAL DESCRIPTION OF THIS BOUNDARY LINE WILL BE PROVIDED TO THE SELECTED RESPONDENT/PROPOSAL THAT WE NEGOTIATE AND EXECUTE A LEASE WITH. HAVING SAID ALL OF THIS, DEVIATIONS FROM THIS REQUEST CAN BE CONSIDERED AND NEGOTIATED FOR THE FINALISTS. A MAJOR CONSIDERATION OF THE PROPOSALS WILL BE THE LEASE RATE OFFERED. THAT IS, IF A PROPOSAL OFFERS A HIGH LEASE RATE AND BECOMES ONE OF THE FINALISTS, THEN DETAILS RE FENCING (TYPE, SURVEYS, ETC) CAN BE WORKED OUT LATER. HOWEVER, YOUR PROPOSAL

SHOULD STILL BE PREPARED AND SUBMITTED SO THAT IT MEETS ALL OF THE NOTICE OF LEASING OPPORTUNITY REQUIREMENTS AS MUCH AS POSSIBLE. THAT IS, THE PROSPECTIVE LESSEE SHOULD ASSUME THAT IT WILL BE REQUIRED TO MEET ALL OF THE NOTICE OF LEASING OPPORTUNITY REQUIREMENTS.

Can we reuse the current fencing (eastern border) and adjust it to the property line? POSSIBLY. JUST SO YOU KNOW, THE CURRENT FENCING MATERIALS ON THE EASTERN BORDER BELONG TO THE ADJACENT TRUCK PARKING OPERATION. THIS CURRENT FENCING IS LIKELY ENCROACHING ON THE 399 BURMA ROAD PROPERTY. ONCE THE BOUNDARY IS SURVEYED BY LESSEE, THE CITY WOULD ASSIST LESSEE IN TAKING POSSESSION OF THE CORRECT BOUNDARIES OF THE PROPERTY, INCLUDING FOR THE SEMICIRCULAR AREA. PRESUMABLY, THE ADJACENT TRUCK PARKING OPERATOR WOULD MOVE ITS FENCING BACK TO THE CORRECT BOUNDARIES. HAVING SAID THAT, THE CITY ALSO REQUESTS THAT LESSEE STILL SURVEY AND INSTALL A POST-DRIVEN CHAIN LINK, OFFSET FROM THE PROPERTY LINE BY 1'. DEVIATIONS FROM THIS REQUEST CAN BE CONSIDERED AND NEGOTIATED FOR THE FINALISTS.

Will the Port or City move the concrete slabs (K-rails) on the eastern border? THE CITY WOULD WORK WITH THE ADJACENT TRUCK PARKING OPERATOR TO HAVE THE K-RAILS ON THE EASTERN BORDER MOVED TO THE CORRECT BOUNDARIES IF A SURVEY CONFIRMED THAT THEY WERE ENCROACHING ON THE 399 BURMA ROAD PROPERTY.

Will the Port or the City provide concrete slabs (K-rails) for the semicircular area? NO. PRESUMABLY, THE ADJACENT TRUCK PARKING OPERATOR WOULD MOVE THEIR K-RAILS BACK TO ALLOW FOR LESSEE TO TAKE POSSESSION OF THE SEMICIRCULAR AREA.

## **TAXES**

Taxes, what are the rates of the different taxes, in the RFP, it is refer to County Possessory Tax and City Parking Tax. SEE ANSWER BELOW.

About the Taxes that the tenant needs to pay:

TAXES: All leaseholds are subject to the County's Possessory Interest Tax, City Parking Tax, and any other applicable tax, all of which are the sole responsibility of the tenant.

Could you please provide all the Taxes figures for the year 2021 and projected figures for the year 2022? SEE ANSWER BELOW.

THE RESPONDENT/PROPOSAL, THAT THE CITY ACCEPTS AND NEGOTIATES A LEASE WITH, WILL BE RESPONSIBLE FOR ALL TAXES. WE DO NOT REPRESENT OR ADVISE WHAT TAXES WILL BE DUE. RESPONDENT/PROPOSAL IS

RESPONSIBLE FOR IDENTIFYING ALL TAXES DUE. THE PROPERTY IS OWNED BY THE CITY OF OAKLAND.

### **MISC**

Can the City sell or long-term lease (e.g., 5-10 yrs)? NO. THIS LEASE OPPORTUNITY IS FOR ONE YEAR ONLY.

And are you paying brokerage fees? NO. WE ARE NOT PAYING BROKERAGE FEES OR COMMISSION ON THIS LEASING OPPORTUNITY.

What is the utilities situation on the property? Is there access to electricity? THE ASKING RENT IS BASED ON THE PORT OF OAKLAND TARIFF RATE FOR UNIMPROVED LAND. WE DO NOT REPRESENT OR ADVISE IF THERE IS UTILITY SERVICE AVAILABLE AT THIS SITE. THE SITE WILL BE LEASED AS IS. RESPONDENT/ PROPOSAL IS RESPONSIBLE FOR IDENTIFYING IF UTILITIES ARE AVAILABLE OR CAN BE CONNECTED TO. ANY IMPROVEMENTS WILL REQUIRE WRITTEN APPROVAL FROM CITY/LANDLORD.

When is the expected first occupancy date? PLEASE SEE POINT 6 ABOVE.

Sublease allowed? NO SUBLEASES ARE ALLOWED.

Can you provide the number of companies that have asked questions or shown interest? NO.

### **PROCEDURES**

Are you taking offers as they come until the 28th? PLEASE SEE POINTS 4 & 5 ABOVE.

When will you let us know of the decision? PLEASE SEE POINTS 4 & 5 ABOVE.

How do I know if my offer will be accepted? PLEASE SEE POINTS 4 & 5 ABOVE.

### **OTHER CITY-OWNED PARCELS**

Can any of the City-owned parcels below be leased?

Parcel 018-0508-008-00 (4.51 AC). NO, THIS PARCEL IS NOT AVAILABLE FOR LEASE.

Parcel 018-0508-008-00 (13.54 AC). NO, THIS PARCEL IS NOT AVAILABLE FOR LEASE.

Parcel 018-0508-006-00 (8.31 AC). NO, THIS PARCEL IS NOT AVAILABLE FOR LEASE.

I have a question about City-owned properties for sale. We are looking for a City-owned property to buy so that we can use for our storage containers. So do you have any specific

person that I can contact to check that out? PLEASE CONTACT BRENDAN MORIARTY. HE IS COPIED ON THIS EMAIL.

THANK YOU ALL FOR YOUR INTEREST.

BEST REGARDS,

***JOHN MONETTA***, *PROJECT MANAGER I*  
**CITY OF OAKLAND, City Administrator's Office**  
**Oakland Army Base Project Implementation**  
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