

# Introduction of Ordinance Authorizing the Interim City Manager to Execute a Third Amendment to the Lease with Bayview Landing LP for Approximately 6.4 Acres of City-Owned Public Trust Tidelands Located at 1527 Buena Vista (Encinal Terminals)

May 5, 2026



**Encinal  
Terminals**

**Clement Ave**

**Buena Vista**

**Pennzoil Site**

# Encinal Terminals Tidelands Lease



Figure 1.1 Existing Parcels (Pre-Tidelands Exchange)

- **Term:** 25-year term (started in 1979), with 25-year extension exercised 2004; expires April 2029
- **Leased Area:** Approx. 6.4 acres within the larger 23-acre Encinal Terminals site
- **Rent:** \$1,012/yr (adjusted every 5 yrs based on property tax reassessment)
- **Allowable Uses:** Must be consistent with Tidelands Grant Statutes

# Background: Encinal Terminals Development Context

- **2022:** City Council adopted the amended Encinal Terminals Tidelands Exchange Master Plan, Development Agreement (DA), Disposition and Development Agreement (DDA) and Tidelands Exchange to facilitate redevelopment of the property.
  - Included certain milestones within the overall 15-year term of the DA/DDA to ensure completion of intermediate steps.
- **2025:** City Council approved modification of interim milestones in DA and Master Plan, giving Developer more time for market to recover, find a buyer/develop the site.

# Planning Board Approves Use Permit

March 23, 2026, the Planning Board approved use permit:

- **Allows interim use** for the non-retail, commercial **storage of new electric vehicles (EVs)** (amendment brings allowable uses into alignment with use permit)
- **Access improvements** from Clement to allow **loading and unloading** operations would occur entirely **within site**; no stopping or parking on public streets
  - Related improvements **modify entrance to Fortman Marina, improving intersection safety**
- **Hours of operation** would be limited to between **8:00 AM and 4:00 PM**, unless authorized by Planning Director



# Why is Lease Amendment Required?

A Lease requires approval by the City (as Lessor) for any use that is:

- **Substantially different** than those permitted under the existing Lease; or
- **Inconsistent** with the provisions of the **Public Trust Doctrine**.

# Proposed Lease Amendment

The proposed amendment would establish the following:

- Allowable Uses. Authorize **temporary outdoor new electric vehicle storage** during the two-year interim period prior to implementation of the Master Plan.
- Additional Rent. **Additional compensation of \$4,500 per month** (base rent currently is approximately \$1,000 per year).
- Sublease. **Authorize sublease agreements** with RAR Capital, the third-party entity proposing to operate the site (future change in sublease entity subject to approval by the City Manager)

# Temporary Use Benefits and Impacts

Benefits	Impacts
<ul style="list-style-type: none"><li>• Blighted site subject to trespassing and truancy is secured and activated</li></ul>	<ul style="list-style-type: none"><li>• Increased truck traffic; impacts could be exacerbated during Oakland Alameda Access Project tube closures.</li></ul>
<ul style="list-style-type: none"><li>• Additional revenue to City to support other Tidelands properties</li></ul>	<ul style="list-style-type: none"><li>• Noise from truck traffic, entering exiting site, etc.</li></ul>
<ul style="list-style-type: none"><li>• Financial support for Lessee until market conditions allow for sale and/or development of site</li></ul>	

# Staff Recommendation

Hold a public hearing to consider introduction of an ordinance authorizing the City Manager to execute a third amendment to the lease with Bayview Landing, L.P. for approximately 6.4 acres of City-owned public trust tidelands located at 1527 Buena Vista (Encinal Terminals).

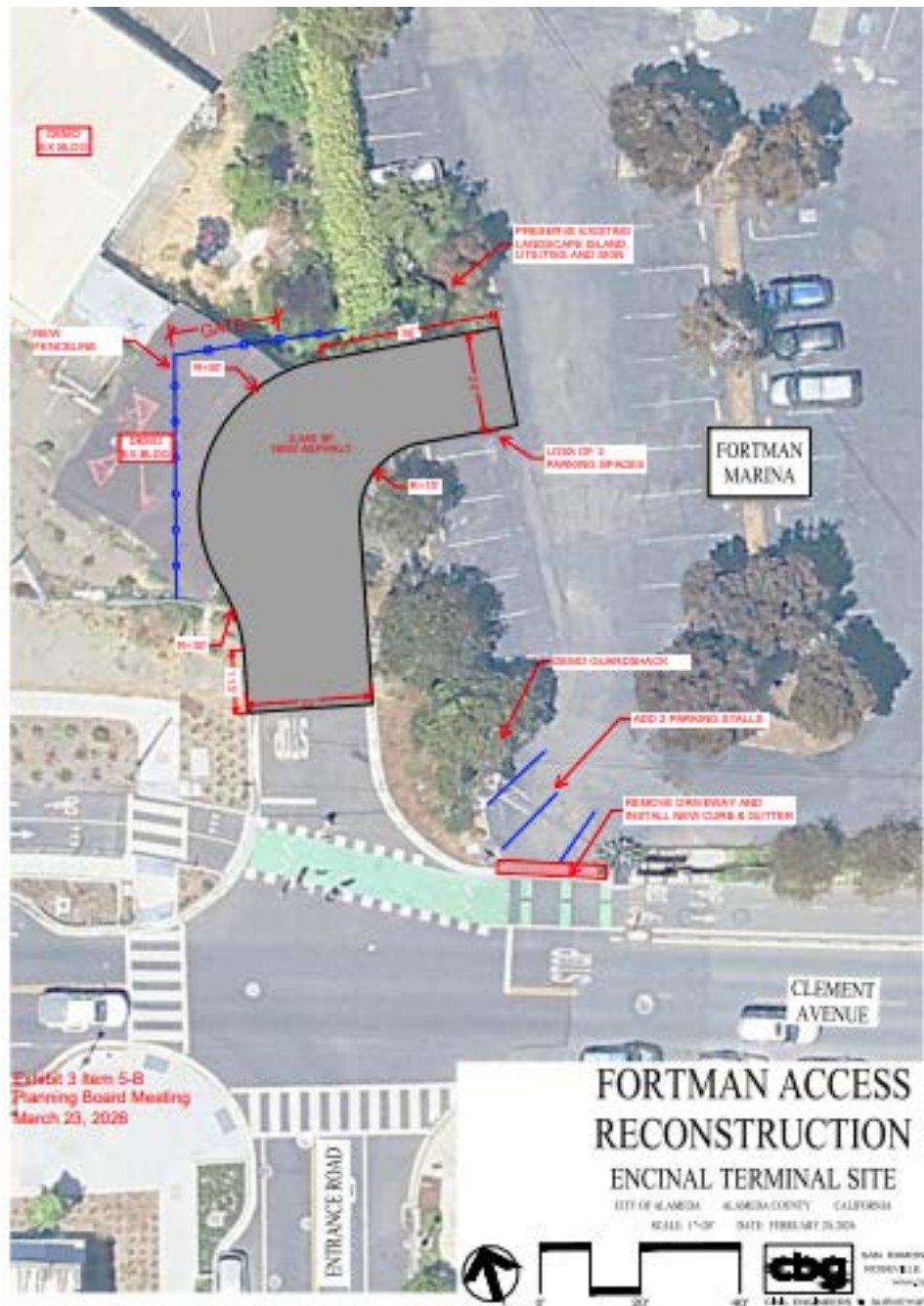


Figure 1.1 Existing Parcels (Pre-Tidelands Exchange)

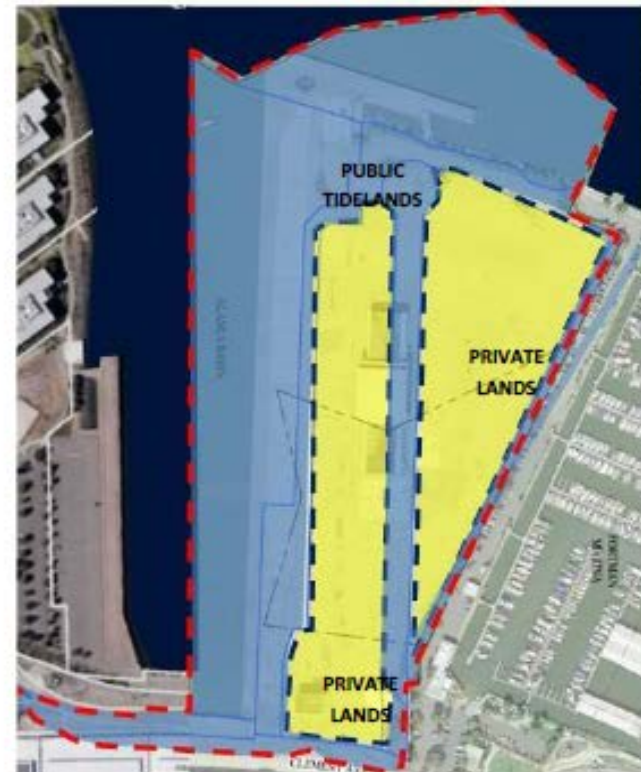


Figure 1.2 Post Tidelands Exchange Configuration