



AGENDA REPORT

TO: Jestin D. Johnson,
City Administrator

FROM: Ashleigh Kanat
Director of Economic &
Workforce Development

SUBJECT: Lease of Airport Warehouse for Urban
Search & Rescue Program

DATE: October 10, 2025

City Administrator Approval

Date:


Jestin Johnson (Oct 21, 2025 12:53:29 PDT)

Oct 21, 2025

RECOMMENDATION

Staff Recommends That The City Council Adopt:

A Resolution Authorizing The City Administrator To Negotiate And Execute A Lease Agreement Between The City, As Tenant, And The Port Of Oakland (Port), As Landlord, For A 52,000 SF Warehouse Located At 7200 Earhart Road, North Field Building L-815 For Use As An Emergency Response Facility By The Oakland Fire Department's Urban Search And Rescue (US&R) Team For A Term Of Six and One Half (6.5) Years At An Initial Rate Of Twenty-Nine Thousand Six Hundred And Forty Dollars (\$29,640) Per Month Or Annual Rent Of Three Hundred Fifty-Five Thousand Six Hundred Eighty Dollars (\$355,680) With A Two Percent (2%) Annual Increase; And Adopting Appropriate California Environmental Quality Act (CEQA) Findings

EXECUTIVE SUMMARY

The recommended resolution would authorize the City of Oakland (City) to enter into a lease with the Port of Oakland (Port) for a 52,000-square foot warehouse at 7200 Earhart Road at the Oakland San Francisco Bay Airport (Property) for the storage of vehicles and an equipment cache associated with the Oakland Fire Department (OFD) Urban Search and Rescue (US&R) program. The lease (Lease) would be for a term of 6.5 years beginning January 1, 2026, at an initial rate of \$29,640 per month, adjusted 2% annually to a maximum rate of \$33,379.46 per month. This Lease would replace an existing lease of a smaller warehouse for which the City currently pays \$37,937 per month. Funding for the Lease payments would be provided through an ongoing grant from the Federal Emergency Management Agency (FEMA), and the City could terminate the Lease with 30-days' notice in the event of inadequate funding.

BACKGROUND / LEGISLATIVE HISTORY

There are 28 FEMA-funded US&R task forces in the United States, and eight in California. US&R task forces are responsible for coordinating, developing, and maintaining an emergency response capability to locate, extricate, and provide immediate medical treatment to victims trapped in collapsed or compromised structures and to conduct water operations and rescues occurring in chemical, biological, radiological or nuclear-contaminated areas.

The City is the sponsoring agency for California Task Force Four (CA-TF4 or Task Force), which includes participation from 16 other fire agencies in and around the Bay Area. The City receives funding from FEMA to cover costs of the CA-TF4 program and must apply each year for this funding. This funding has been consistent for three decades with increases in the amount over time. The City supplements this federal funding with \$150,000 annually from the General Fund.

Most recently, City Council adopted [Resolution No. 89175 C.M.S.](#) on May 17, 2022, authorizing the execution of a grant agreement with FEMA in the amount of \$1,238,878 annually with additional supplemental annual funding not to exceed 50% of the original grant award per year for Fiscal Years 2021-2026 to fund CA-TF4. The City anticipates the Fiscal Year 2025-2026 FEMA grant award amount for CA-TF4 will be \$1,378,000.

The City currently leases a 31,608-square foot, privately-owned warehouse located at 9812 Bigge Street in Oakland (Existing Lease) to store CA-TF4 vehicles and equipment with rent of \$37,937 per month pursuant to [Resolution No. 88315 C.M.S.](#), adopted in October 2020. The Existing Lease expires on February 28, 2026, and no terms have been negotiated for an extension.

City and Port staff have now negotiated terms for a potential new Lease of a 52,000-square foot warehouse located at the Property that would replace the Existing Lease. The term would begin January 1, 2026 with two months of free abatement and will expire no later than 6.5 years on June 30, 2032. The City would pay \$29,640 per month in rent at commencement, increasing 2% annually to a maximum of \$33,379.46 per month. The proposed Lease would allow the City to terminate with 30-days' notice in the event of inadequate funding, such as a termination or reduction in Federal funding.

The California Office of Emergency Services also co-locates additional emergency response assets for use by OFD for search and rescue in water environments at the current warehouse facility. These assets would be moved to the Property as well.

ANALYSIS AND POLICY ALTERNATIVES

The recommended resolution would allow for continuity in operations for the City's US&R program and the broader CA-TF4, which is critical to the City's disaster readiness.

The Property is an appropriate size to accommodate all the vehicles and equipment cache supporting CA-TF4. In addition, the response time of the Task Force will be significantly improved if the US&R cache and apparatus are stored in this specific facility with proximity to the Oakland Airport, which has been the site for air transportation of staff on activation orders.

If the City fails to retain a warehouse for the US&R program, OFD will not have the space needed for the associated vehicles, office space, and other equipment cache required to fulfill the terms and conditions of the City's cooperative agreement with FEMA. This would imperil CA-TF4 and its funding and could significantly compromise the City's disaster readiness.

The recommended Lease would save the City approximately \$100,000 per year in base rent while providing 20,392 more square feet of usable space. This larger size would provide additional storage capacity for compatible uses, such as for the storage and maintenance of other disaster preparedness and response equipment and programs.

City Real Estate staff conducted a fair market rent analysis and concluded that the rental rate for the Property is within the market rent range for comparable local properties. During the analysis, staff learned that there are no comparable alternative vacancies on the market to which OFD could relocate the Task Force.

Funding for the recommended Lease is provided through a grant of federal funds from FEMA. The recommended Lease would provide a 30-day termination right in the event that future funds are disrupted, thereby reducing financial risk to the City.

The 6.5-year term would provide stability for the US&R program. The first two months would overlap the last two months of the lease for the existing warehouse, thereby facilitating a move to the new location without additional expenditure.

The recommended Lease would advance the Citywide priority of **Holistic Community Safety** and **Housing, Economic and Cultural Security** by preserving resources for the City's disaster response capability.

FISCAL IMPACT

There is no expected fiscal impact to the City and it is anticipated the Lease will save the City approximately \$100,000 per year in base rent over the Lease period compared to the Existing Lease. Similar to the Existing Lease, the Lease would be fully funded by grants from FEMA and a contribution from the General Purpose Fund (1010). The grant funding is located in FEMA US&R Cooperative Agreement: Federal Emergency Management Agency (FEMA) Fund (2124), Fire: U.S.A.R. Organization (20815), Special Operations Program (PS18), in Rental Land and Building Account (53211) US&R Grant Project (1007718, adjusted annually). Grant funding is supplemented by a \$150,000 annual contribution to support warehouse lease costs from the General Purpose Fund (1010), Fire: U.S.A.R. Organization (20815), Administrative Project (1000009), Special Operations Program (PS18), Rental Land and Building Account (53211).

Initial funding for the 2025 US&R readiness grant (Project 1007718) was appropriated with the Adopted 2025-2026 Budget into personnel accounts (51111 – 51821) to support ongoing staffing in support of US&R. Upon final 2025 grant award acceptance, additional appropriations will be made to reconcile the appropriated budget to the full award, including allocating funding to the Rental Land and Building Account (53211).

If funding for the CA-TF4 program is terminated or reduced and/or if funding is not approved by City Council at each budget cycle, the City may terminate the Lease with a 30-day notice.

PUBLIC OUTREACH / INTEREST

No outreach was deemed necessary for the proposed policy action beyond the standard City Council agenda noticing procedures.

COORDINATION

The Economic & Workforce Development Department's Real Estate Division coordinated with the Oakland Fire Department, City Attorney's Office, and Budget Bureau on the recommended resolution, as well as the Port.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Staff has determined that this action is not a project subject to CEQA pursuant to CEQA Guidelines sections 15301 (existing facilities), 15183 (projects consistent with General Plan and Zoning), and 15061(b)(3) (no significant effect on the environment).

SUSTAINABLE OPPORTUNITIES

Economic: The recommended Lease would enable ongoing receipt and use of federal funds in Oakland and would help to sustain the City's economic resilience in cases of disaster.

Environmental: There are no environmental impacts associated with this action because it would utilize an existing facility.

Race & Equity: The recommended Lease would place high-value emergency response resources in a High Priority Neighborhood according to the Oakland Department of Transportation's Geographic Equity Map with approximately 93% of residents identified as Black or Hispanic.

ACTION REQUESTED OF THE CITY COUNCIL

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For questions regarding this report, please contact Brendan Moriarty, Director of Real Estate & Special Projects, at bmoriarty@oaklandca.gov or (510) 238-6354.

Respectfully submitted,



Ashleigh Kanat (Oct 16, 2025 10:03:36 PDT)

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