



# City of Oceanside

300 North Coast Highway,  
Oceanside, California 92054

## Staff Report

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**File #:** 25-807

**Agenda Date:** 6/4/2025

**Agenda #:** 8.

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**DATE:** June 4, 2025

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Public Works Department

**TITLE: AMENDMENT 1 TO PROPERTY LEASE AGREEMENT WITH ROCK GATE CAPITAL, LLC, DBA 160 DRIVING ACADEMY, FOR PORTION OF LAND LOCATED AT 1280 RANCHO DEL ORO DRIVE**

### **RECOMMENDATION**

Staff recommends that the City Council approve Amendment 1 to Property Lease Agreement with Rock Gate Capital, LLC dba 160 Driving Academy to extend the term of the agreement for an additional two years for use of a portion of the City-owned land located at 1280 Rancho Del Oro Drive with total revenue of \$217,710; and authorize the City Manager to execute the amendment upon receipt of all supporting documents.

### **BACKGROUND AND ANALYSIS**

In 2009, the City leased a portion of the vacant, City-owned land located at 1280 Rancho Del Oro Road ("Property") to 160 Driving Academy's predecessor in interest, California Career Schools of Anaheim ("CCS") under a temporary, month-to-month lease dated August 8, 2009, for CCS to operate a truck driving training school on the Property (the "2009 Lease"). In 2020, CCS merged with 160 Driving Academy and, as a part of that merger, 160 Driving Academy was assigned and assumed the 2009 Lease, with the City's approval. Thereafter, 160 Driving Academy ("Lessee") continued to operate under the 2009 Lease on a month-to-month basis, until August 31, 2021 at which time, it elected to terminate and vacate the Property.

In 2022, the City entered into a new lease with Lessee for the Property for a three-year term which expires June 30, 2025 (the "Agreement"). At this time, Lessee has requested to extend the term for an additional two years to expire June 30, 2027.

Lessee will pay \$8,850 per month for a total annual rent of \$106,200 in the first year, and \$9,293 per month for a total annual rent of \$111,510 in the second year. Lessee will continue to be required to perform all ongoing maintenance and repair of the Property, and to share in the costs of maintenance of the common area. In addition, either party will continue to possess the right to terminate the Agreement as amended, for any reason, by giving the other party at least 30 days prior written notice. This is an important consideration given that the property is still being evaluated as a potential future Police Department headquarters site.

**FISCAL IMPACT**

Description	1 <sup>st</sup> Year Annual Amount	2 <sup>nd</sup> Year Annual Amount	Revenue Account
160 Driving Academy Rent Revenue	\$106,200	\$111,510	General Fund Revenue Account 1101.4351

The amendment will result in total revenue over the two-year term of \$217,710 which will be deposited to the City's General Fund revenue account 1101.4351.

**COMMISSION OR COMMITTEE REPORT**

Does not apply.

**CITY ATTORNEY'S ANALYSIS**

The referenced documents have been reviewed by the City Attorney and approved as to form.

Prepared by: Kimberly Duffin, Senior Property Agent  
Reviewed by: Hamid Bahadori, Public Works Director  
Submitted by: Jonathan Borrego, City Manager

**ATTACHMENTS:**

1. Staff Report
2. Amendment 1