

Item 4: Dylan's Tours, Inc., New five-year Lease with one five-year option

Request to approve a new five-year lease (with one five-year extension option) with Dylan's Tours, Inc. a California corporation for approximately 1,505 square feet of the ground floor of 490 Jefferson Street

March 18, 2026

Presented by: _____



Background



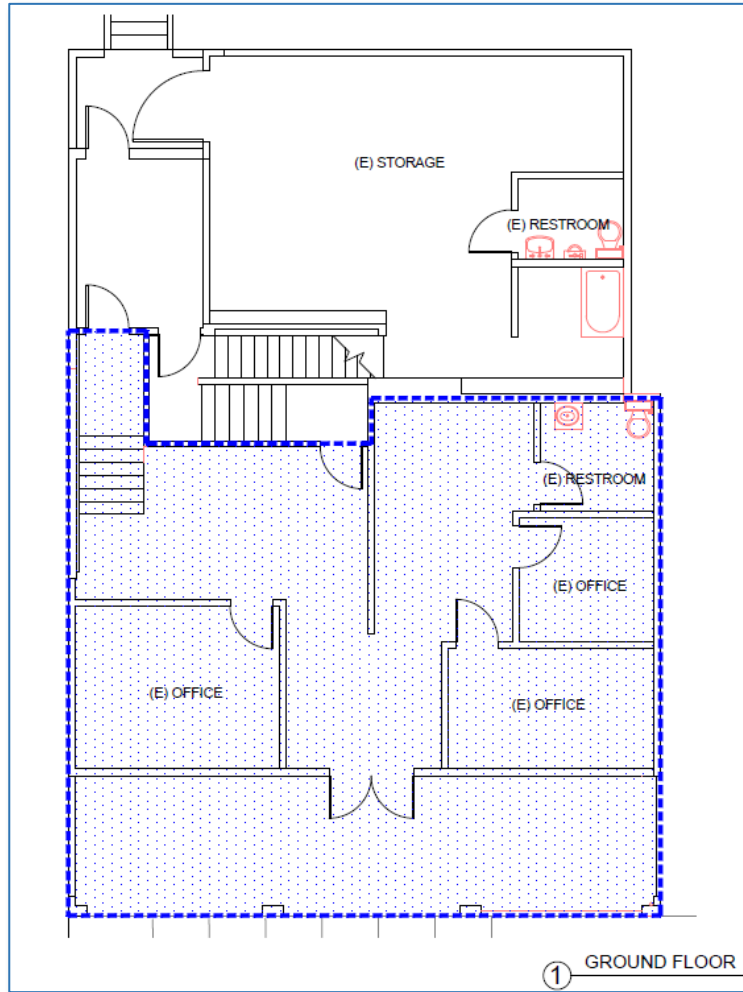
Property Overview

- 490 Jefferson Street sits on the north side of Jefferson Street between Leavenworth and Hyde Streets.
- The 3,465 sq. ft. two-story building, built in phases starting in the early 1900's, has served various uses, most recently as office space.
- Since the property has vacant for many years it shows signs of deferred maintenance (e.g., dry rot in framing for front windows and doors) and requires hazardous materials abatement.

Leasing Activity

- Maven Commercial listed the property for lease in late 2023 with ongoing but sporadic interest from prospects.
- In summer 2025, Dylan's Tours approached Maven about relocating from Columbus Avenue to 490 Jefferson. With Maven's guidance, Port staff began discussions for leasing the ground floor to Dylan's Tours.
- Lengthy negotiations resulted in a final lease agreement with Dylan Tours with essential lease terms presented on the next page.

Proposed Lease (L-17378) Terms



Premises

- Dylan Tours premises are 1,505 square feet on the ground floor of 490 Jefferson plus one outdoor space next to the premises for tour van staging

Base Rent

- \$6,000 per month (\$3.99 psf/mo); 3% annual increases.

Option Period Base Rent

- Option Rent is established by a FMW assessment by Port.

Percentage Rent

- 5.00% of Gross Revenues over a breakpoint of \$900,000. Percentage rent is in addition to Base Rent.

Port Work

- Limited to hazardous materials remediation

Tenant Improvement Allowance

- The Port proposed a Tenant Improvement allowance of \$320,000 (\$213 psf) for improvements and needed capital repairs to space.