CITY OF ALAMEDA ORDINANCE NO. _____ New Series

APPROVING A LEASE AND AUTHORIZING THE CITY MANAGER TO EXECUTE DOCUMENTS NECESSARY TO IMPLEMENT THE TERMS OF A LEASE AGREEMENT WITH GOOGLE INC FOR SIX YEARS WITH FIVE THREE-YEAR OPTIONS IN BUILDING 11 LOCATED AT 1050 W. TOWER AVENUE AND BUILDING 19 LOCATED AT 2175 MONARCH STREET AT ALAMEDA POINT

WHEREAS, the City of Alameda entered into a lease agreement for Building 19 in 2006 with Makani Power, a "start-up" company researching and developing new wind power technologies; and

WHEREAS, Makani Power was acquired by Google, Inc. in 2013; and

WHEREAS, Google would like to continue to lease Building 19 and an adjacent shed and also lease Building 11; and

WHEREAS, the proposed lease agreement with Google replaces the existing lease for Building 19 with Makani Power and adds Building 11 to the agreement; and

WHEREAS, Building 11 is approximately 110,561 square feet and Building 19 is approximately 16,888 square feet; and

WHEREAS, the rent under the proposed lease agreement will range from \$55,205 to \$62,134 over the six-year period; and

WHEREAS, the first 12 months of rent will be abated; and

WHEREAS, Google shall have five options to extent the term of the lease for a period of three years each (up to a total of 21 years, including original lease term); and

WHEREAS, the use for which the premises may be used by the tenant is for engineering, research and development, manufacturing and general office for Building 11 and general office for Building 19; and

WHEREAS, the Lease grants certain licenses for specified nonexclusive and exclusive uses of the land and parking areas adjacent to the leased premised, which licenses are not intended to create a "subdivision" within the meaning of Government Code section 66424 or to grant any possessory interest in the land; and

WHEREAS, Google shall have a right of first offer to lease the contiguous space in Buildings 400/400A and Building 12; and

WHEREAS, Google shall have a right of first right to negotiate the purchase of Buildings 11, 19, 400/400A and 12; and

WHEREAS, Google will comply with all other leasing requirements; and

WHEREAS, the landlord will carry insurance for the replacement value of the building and the tenant will have personal property insurance for replacement of property and any specialty tenant improvements.

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Alameda that by four affirmative votes that:

Section 1. The City Manager of the City of Alameda or his designee is hereby authorized, subject to approval by the City Attorney, (A) to execute, for and on behalf of the City of Alameda, a lease agreement for six years with five three-year options with Google Inc. in Building 11 located at 1050 W. Tower Avenue and Building 19 located at 2175 Monarch Street at Alameda Point; (B) to negotiate and execute amendments, revisions or addendums which do not materially change the lease terms, including but not limited to rent and term, and which are required to implement the intent of the lease; and (C) to negotiate and execute corresponding documents necessary to implement the terms of the lease and the City Clerk is hereby authorized and directed to attest to the same.

<u>Section 2.</u> If any section, subsection, sentence, clause, or phrase of this ordinance, for any reason, is held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council of the City of Alameda hereby declares that it would have passed this ordinance, and each section, subsections, clause, or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, and phrases are declared to be invalid and unconstitutional.

<u>Section 3.</u> This ordinance shall be in full force and effect from and after the expiration of thirty (30) days from the date of its final passage.

Presiding Officer of the City Council

Attest:

Lara Weisiger, City Clerk

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I, the undersigned, hereby certify that the foregoing Ordinance was duly and regularly adopted and passed by Council of the City of Alameda in regular meeting assembled on the 18th day of March, 2013, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the official seal of said City this the 19th day of March, 2013.

Lara Weisiger, City Clerk City of Alameda