

Introduction of Ordinance to Approve Lease for a Restaurant Space at the Historic Alameda Theater Complex at 2319 Central Avenue with an Existing Tenant, Play House dba Director's Cut (Project Burger), a California LLC

March 3, 2026



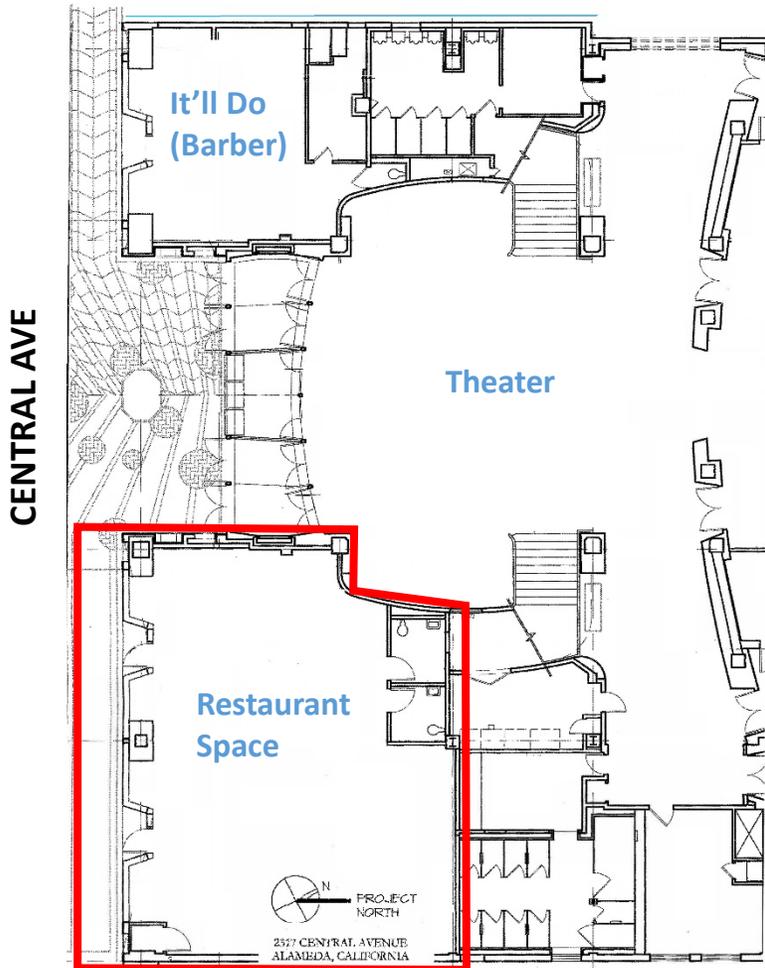
2319 Central Avenue

The art-deco style Historic Alameda Theater opened in 1932

- Designed by the renowned theater architect, Timothy L. Pflueger
- In 2006, the City undertook a major theater restoration project
- The Theater building has always included a variety of axillary uses in the retail suites along Central Avenue
- City owns and leases historic theater building
- A restaurant has operated in this suite since 2007



Leased Premises



- The leased space is separate from the Theater with a dedicated public entrance from Central Avenue
- Approximately 1,850 SF, and includes dining area, indoor bar, kitchen, and two single-stall, gendered restrooms
- Leased premises do not include any designated parking areas
- No additional exterior improvements are contemplated in the new lease
- City's commercial broker publicly marketed the restaurant space for lease in late 2025 and toured interested parties
- The current tenant was the only interested party that submitted an LOI



Play House, LLC dba Project Burger

- Project Burger operates a sit-down, family-friendly restaurant with take-out options
- The current tenant purchased the business in 2018
- Has previously invested over \$60,000 in interior improvements, and owns all installed kitchen equipment
- Tenant remains in good standing and has made recent façade improvements to the marquee, awning, and signage
- Open 6 days per week for dinner, and 5 days per week for lunch



Lease Terms

- **Use:** Sit-down, dining establishment with full bar
- **Premises:** 1,850 SF of interior space, no dedicated parking
- **Term:** 36-month initial term (3 years) & one (1) 3-year renewal option
- **Monthly Rent:** \$5,865 or \$3.17 PSF w/ annual 3% increases
- **Rent Credit:** 1 month or \$5,865

Months	Monthly Rent	Annual Rent
1-12	\$5,865	\$64,515
13-24	\$6,041	\$72,491
25-36	\$6,222	\$74,666
Total over 36-months: \$211,673		

- Tenant is responsible for their proportional share of utilities, taxes, fees, etc.
- Lease reflects fair market value (FMV) for the use
- Includes a 3% increase over prior lease rate

Recommendation



PROJECT
BURGER

- Hold Public Hearing, and
- Approve introduction of ordinance approving lease with Play House dba Director's Cut (Project Burger), a California LLC

Rationale

- Will contribute significant base lease revenues of \$211,673 over three years, supporting the operating expenses of City-owned properties.
- Provides space for existing, long-term tenant in good standing, to continue to make and serve sit-down and to-go food for lunch and dinner patrons, in alignment with the City's Economic Development Strategic Plan.
- Tenant will continue to maintain the premises as occupied, ensuring activation of this premium shopping district, and supporting a thriving Downtown Alameda Business District.