

Introduction of Ordinance to Approve Lease for a Portion of Building 169 with the Pacific Pinball Museum, a California Nonprofit Corporation

January 7, 2025



Building 169

Building 169 is located at 1680 Viking Street, Alameda Point

- Commercial warehouse building
- Divided into two suites
- Pacific Pinball Museum currently occupies Suite 101
- Suite 102 is currently vacant, was occupied by a retail tenant, William Sonoma
- Suite 102 is actively marketed for lease



Building 169 is located within the Enterprise District, and depending on market conditions and City Council direction, the location is adjacent to the most probable footprint for near-term development in the area.

Pacific Pinball Museum (PPM)



Pacific Pinball Museum (PPM) is a 501(c)3 non-profit organization founded in 2002

- Mission is to inspire an interest in science, art and history through pinball, and to preserve and promote this important part of American culture
- Public museum is located at 1510 Webster Street in Alameda
- Over 100 pinball machines from the 1940's to present day available to play
- No quarters required!



HOURS OF OPERATION:

MONDAY: CLOSED for Game Repairs

TUESDAY - THURSDAY: 11AM - 9PM

FRIDAY & SATURDAY: 11AM - 10PM

SUNDAY: 11AM - 9PM

Leased Premises

- Suite 101 contains 43,555 SF of rentable interior space plus non-exclusive exterior parking
- Currently used as a warehouse and repair facility by Pacific Pinball for historic pinball machines and administrative functions
- PPM has been a tenant at Alameda Point since 2006 and relocated to Bld. 169 in 2017
- PPM sublicenses ~13,650 SF (or 31%) to Navier Boat, which designs, engineers, prototypes, tests and assembles electric hydro foiling watercraft
- Navier pays PPM monthly for the sublicense and shares in costs for utilities, fees and taxes
- Navier's occupancy is coterminous with PPM under the City's master lease
- No new interior or exterior improvements are contemplated as part of the new Lease

Lease Terms

- **Use:** Warehouse, repair facility and related administrative functions
- **Premises:** 43,555 SF of interior space, exterior non-exclusive parking
- **Term:** 36-months with annual renewals (total of 3 years)
- **Monthly Rent:** \$19,510 or \$0.45 PSF w/ annual 3% increases
- Lease provides for profit sharing of 50% of PPM's revenue above base rent derived for sublease/sublicensing
- Tenant is responsible for all utilities, taxes and fees
- One-time Right to Terminate with six (6) months prior notice, offers flexibility for both parties
- Fair market value (FMV) warehouse lease rates elsewhere in Alameda Point are in the range of \$0.70 to \$0.85 PSF, lower rate reflects an adequate FMV for the shorter-term duration and termination right which provides the City flexibility for Enterprise District development

Months	Monthly Rent	Annual Rent
1-12	\$19,510	\$234,120
13-24	\$20,095	\$241,140
25-36	\$20,698	\$248,376
Total over 36 months = \$723,636 (NPV is approx. \$650,000)		
Plus, potential for sublease profit sharing		

Recommendation

- Approve introduction of ordinance to execute a lease with Pacific Pinball Museum, a California Nonprofit Corporation



Building 169



Circa 1935

Today

