

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 WITH STEELTOWN WINERY LLC FOR TEN YEARS WITH TWO ADDITIONAL FIVE-YEAR OPTIONS IN A PORTION OF BUILDING 43 LOCATED AT 2440 MONARCH STREET, SUITE 100 AT ALAMEDA POINT

WHEREAS, In 2010, Managing Member, Meredith Coghlan and Winemaker, Tod Hickman decided to pursue a partnership as winery owners; and

WHEREAS, In May 2013, Steeltown Winery LLC (Steeltown) opened its first tasting room in Antioch, CA; and

WHEREAS, Steeltown will be rebranded as Building 43 Winery and will be an artisan winery located in the urban setting of Alameda Point including a tasting room; and

WHEREAS, The portion of Building 43, located at 2440 Monarch Street, Suite 100, is approximately five thousand two hundred twenty (5,220) square feet; and

WHEREAS, The proposed lease with Steeltown is for ten years with two additional five-year options; and

WHEREAS, The sole purpose for which the premises may be used by the tenant is for bonded winery and tasting room; and

WHEREAS, The proposed monthly base rent for the premise ranges from \$2,610 to \$3,405 per month over the 10-year period; and

WHEREAS, Steeltown is entitled to a capital repair credit up to a maximum of \$27,000 for the capital costs necessary for reuse as a winery and tasting room applied against the monthly base rent; and

WHEREAS, Capital repairs include ADA restroom work, egress requirement and ADA flatwork, fire code, electrical and building code updates; and

WHEREAS, In addition to the monthly base rent, Steeltown will pay its share of common area maintenance costs, all costs for services, utilities and taxes for the premises; and

WHEREAS, The City holds a \$2,610-security deposit and the lease contains the standard insurance, indemnity, assignment and termination clauses the ARRA required

in its leases and compliant with the Lease in Furtherance of Conveyance (LIFOC) with the United States Navy.

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 to negotiate, execute, for and on behalf of the City of Alameda, a lease with Steeltown Winery LLC. for Building 43 located at 2440 Monarch Street, Suite 100 at Alameda Point for ten years with two additional five-year options, subject to such technical or clarifying revisions as are reasonably determined necessary by the City Manager and approved by the City Attorney, and the City Clerk is hereby authorized and directed to attest to the same.

Section 2. If any section, subsection, sentence, clause or phrase of this ordinance if, for any reason, 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.

Section 3. 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

* * * * *

I, the undersigned, hereby certify that the foregoing resolution was duly and regularly adopted and passed by the Council of the City of Alameda in a regular meeting assembled on the ___ day of _____, 2014, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the official seal of said City this ___ day of _____, 2014.

Lara Weisiger, City Clerk
City of Alameda

APPROVED AS TO FORM:

Janet C. Kern
City Attorney