

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 FIVE YEAR LEASE WITH TWO FIVE-YEAR EXTENSION OPTIONS AND A RIGHT OF FIRST NEGOTIATION TO PURCHASE WITH SAILDRONE, INC, A DELAWARE CORPORATION, FOR BUILDING 12, LOCATED AT 1050 WEST TOWER AVENUE AT ALAMEDA POINT.

WHEREAS, Saildrone, Inc. designs and manufactures wind and solar powered autonomous vehicles used for cost-effective ocean data collection; and

WHEREAS, Saildrone, Inc. entered into a sublease agreement with Artemis Racing USA, Inc. to occupy a portion of Building 12 on February 09, 2016; and

WHEREAS, Saildrone, Inc. is currently in their sublease agreement which is set to expire August 31, 2017; and

WHEREAS, this lease agreement with Saildrone, Inc. will replace that current sublease agreement; and

WHEREAS, Artemis Racing USA, Inc.'s lease for Building 12 is set to expire August 30, 2017; and

WHEREAS, Saildrone, Inc. is currently negotiating a new sublease agreement with Artemis Racing USA, Inc. so that Artemis Racing USA, Inc. may continue to occupy their portion of Building 12; and

WHEREAS, Saildrone, Inc. will have the right to occupy the portion of Building 12 vacated by Artemis Racing USA, Inc. if Artemis Racing USA, Inc. chooses to not enter into a sublease agreement with Saildrone, Inc.; and

WHEREAS, Building 12 consists of approximately 110,000 square feet of rentable square feet; and

WHEREAS, the Premises will be used for engineering, research and development, manufacturing, assembly, and related office use; and

WHEREAS, Saildrone, Inc. will occupy Building 12 and have the right, on an exclusive basis, to have its employees and visitors park in the adjacent paved areas; and

WHEREAS, Saildrone, Inc. will also be allowed to use a portion of Taxiway H for access to the Seaplane Lagoon for the purposes of launching and retrieving their autonomous vehicles; and

WHEREAS, the base rent over the five years of the lease is \$60,000 for year one, \$61,800 for year two, \$63,654 for year three, \$65,564 for year four, and \$67,531 for year five; and

WHEREAS, the proposed lease contains two 5-year extension options and a right of first negotiation to purchase if the City decides to sell the building; and

WHEREAS, Saildrone, Inc. will be required to provide a security deposit in the amount of \$67,531 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).

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 Saildrone, Inc. a Delaware corporation, for Building 12 at Alameda Point for five years with two five-year options to renew and a right of first negotiation to purchase, 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.

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Presiding Officer of the City Council

Attest:

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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 the Council of the City of Alameda in a regular meeting assembled on the \_\_\_\_ day of \_\_\_\_\_, 2017, 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 \_\_\_\_\_, 2017.

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Lara Weisiger, City Clerk  
City of Alameda

APPROVED AS TO FORM:

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Janet C. Kern, City Attorney  
City of Alameda