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 TEN YEAR LEASE WITH TWO TEN-YEAR EXTENSION OPTIONS AND A RIGHT OF FIRST OFFER TO LEASE SUITE 100 WITH FACTION BREWING COMPANY, LLC A CALIFORNIA LIMITED LIABILITY COMPANY, FOR BUILDING 22, SUITE 200, LOCATED AT 2501 MONARCH STREET AT ALAMEDA POINT.

WHEREAS, Faction Brewing Company, LLC is a brewery led by a team with extensive brewing experience throughout northern California and produces a variety of beers which include Pale Ale, IPA, Red, Pilsner, and Stout; and

WHEREAS, Faction Brewing Company, LLC entered into a lease agreement with the City of Alameda to occupy a portion of Building 22 in 2012 and has been open to the public since early 2013 ; and

WHEREAS, this lease agreement with Faction Brewing Company, LLC will replace their current lease agreement from 2012; and

WHEREAS, Building 22, Suite 200 consists of approximately 32,500 square feet of rentable square feet; and

WHEREAS, the Premises will be used as a brewery, tasting room and production facility, and sales and office uses related thereto; and

WHEREAS, Faction Brewing Company, LLC will occupy a portion of Building 22 and have the right, on an exclusive basis, to have its employees and visitors park in the adjacent paved areas; and

WHEREAS, the base rent over the ten years of the lease is $20,150 for year one, $20,754.50 for year two, $21,377.14 for year three, $22,018.45 for year four, $22,679 for year five, $23,359.37 for year six, $24,060.15 for year seven, $24,781.96 for year eight, $25,525.42 for year nine, and $26,291.18 for year ten; and

WHEREAS, the proposed lease contains two 10-year extension options and the right to first offer for Suite 100 of Building 22 if the premises becomes vacated; and

WHEREAS, Faction Brewing Company, LLC will be required to provide a security deposit in the amount of $12,025 and the lease contains the standard insurance, indemnity, and assignment clauses.

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 her designee is hereby authorized to negotiate, execute, for and on behalf of the City of Alameda, a lease with Faction Brewing Company, LLC a California Limited Liability Corporation, for Building 22 at Alameda Point for ten years with two ten-year options to renew and a right of first offer for Suite 100 of Building 22, 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 _____, 2018, 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 _____, 2018.

_____
Lara Weisiger, City Clerk
City of Alameda

APPROVED AS TO FORM:

_____
Janet C. Kern, City Attorney
City of Alameda