

ORDINANCE NO. 949 N.S.
AN ORDINANCE OF THE CITY OF EL PASO DE
ROBLES APPROVING LONG-TERM GROUND LEASE
WITH ROLLIE GATES INVESTMENT PROPERTIES, LLC,
FOR 3077 ROLLIE GATES DRIVE

WHEREAS, the City Council for the City of Paso Robles entered into that certain Master and Specific Lease Agreement (the "**Original Lease**") dated November 15, 1976, between the City of Paso Robles, as landlord, and, Edward E. Worthan, an individual, as tenant, as amended and assigned to RMB&B Real Estate Joint Venture, a California general partnership, for Parcel 8 of PRAL 88-2087, commonly known as 3077 Rollie Gates Drive, Paso Robles, California (the "**Premises**"),

WHEREAS, the principals in RMB&B Real Estate Joint Venture desire to expand the manufacturing operations on the Premises, which would involve a significant additional investment; and

WHEREAS, the principals of RMB&B Real Estate Joint Venture have created a new entity called Rollie Gates Investment Properties, LLC, a California limited liability company ("RIP") and are willing to make such an investment if they can be assured of a long-term right to lease the Premises; and

WHEREAS, Government Code section 37380 allows a city to enter into a lease that has a term exceeding 55 years if certain requirements are met; and

WHEREAS, pursuant to the requirements of Government Code section 37380, the City solicited requests for bids for a long-term lease of the Premises, and advised potential bidders of the factors the City would use to determine which proposal would provide the greatest economic return to the City; and

WHEREAS, the requests for bids were published and sent to those persons as required by law and only one bid was received; and

WHEREAS, pursuant to the requirements of Government Code section 37380, the City published a notice of a public hearing on the proposed long-term lease with RIP and mailed a notice to the present tenant of the Premises, all owners of land adjoining the Premises and other interested persons; and

WHEREAS, the proposed nonsubordinated ground lease (the "**Lease**") is for an initial term of nineteen (19) years, with eight (8) ten-year renewal options, for a total possible term of 99 years; and

WHEREAS, under the lease, RIP would expand the manufacturing facilities on the Premises to contain up to 100,000 square feet;

NOW THEREFORE, the City Council of the City of El Paso de Robles does ordain as follows:

SECTION 1. Based on the historic good performance of RMB&B Joint Venture under the Original Lease, the staff report regarding the proposed Lease, the proposal from RIP and other evidence presented during the public hearing, the City Council has determined that the proposed Lease with RIP shall offer the greatest economic return to the City. The City Manager is hereby authorized to execute the proposed Lease in substantially the form attached to this Ordinance as Exhibit A, and incorporated herein by reference, subject to any minor technical non-substantive changes approved by the City Attorney. The City Manager is also authorized to execute any other documents to effectuate the proposed Lease, including an agreement to terminate the Original Lease with RMB&B Real Estate Joint Venture.

SECTION 2. Publication. The City Clerk shall cause this ordinance to be published once within fifteen (15) days after its passage in a newspaper of general circulation, printed, published and circulated in the City in accordance with Section 36933 of the Government Code.

SECTION 3. Effective Date. This ordinance shall go into effect and be in full force and effect at 12:01 a.m. in the 31st day after its passage.

SECTION 4. Inconsistency. To the extent that the terms or provisions of this Ordinance may be inconsistent or in conflict with the terms or conditions of any prior City ordinance(s), motion, resolution, rule, or regulation governing the same subject matter thereof, such inconsistent and conflicting provisions or prior ordinance, motions, resolutions, rules, and regulations are hereby repealed.

SECTION 5. Severability. If any section, subsection, sentence, clause, or phrase of the Ordinance is, for any reason, found to be invalid or unconstitutional, such finding shall not affect the remaining portions of this Ordinance.

The City Council hereby declares that it would have passed this Ordinance by section, subsection, sentence, clause or phrase irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases are declared invalid or unconstitutional.

Introduced at a regular meeting of the City Council of the City of El Paso de Robles held on October 21 2008, and passed and adopted on the 4th day of November 2008 by the following roll call vote:

AYES: Hamon, Nemeth, Picanco, Strong, and Mecham

NOES:

ABSTAIN:

ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Deborah Robinson, Deputy City Clerk