

RESOLUTION NO. 2010-436

Adopted by the Sacramento City Council

July 27, 2010

APPROVING AMENDMENT 8-a TO THE ARMY DEPOT INDUSTRIAL DEVELOPMENT LEASE AND OPTION TO PURCHASE WITH US DEPOT LANDS, LLC.

BACKGROUND

- A. In 1994, the City Council approved an Industrial Lease and Option to Purchase (Master Lease) with Packard Bell Electronics, Inc. (City Agreement Number 94-194).
- B. In 1999, at the request of Packard Bell, the City approved the transfer and assignment of the Lease to US National Leasing, LLC (USNL).
- C. US Depot Lands, LLC (Depot Lands) is an affiliate company of US National Leasing, LLC.
- D. The Seventh Amendment to the Master Lease, City Agreement number 94-194-7, approved by the City Council on October 16, 2007, reflects an "Assignment" of a portion of USNL's lease to its affiliate Depot Lands.
- E. On February 12, 2008, City Council approved a "Confirmation Agreement" with Depot Lands, City Agreement No. 2008-0133.
- F. In March, 2005, the US Army conveyed title to Army Depot Parcel 2B to the City through City Agreement number 2005-0409.
- G. The Fifth Amendment to the Master Lease, approved by City Council on March 1, 2004, City Agreement number 94-194-5, stated that the Tenant could accept Parcel 2B into the Leased Premises and Purchase Option upon notice to City.
- H. On October 9, 2009, Assignee Depot Lands notified the City that it wanted to accept Parcel 2B into its Leased Premises and Purchase Option.
- I. The proposed amendment makes clear the relationship between Depot Lands and the City with respect to Depot Lands' obligations under the Master Lease, including all rights and interests in the released parcels.
- J. The proposed amendment allows Depot Lands to secure financing for the development of new projects on the leased parcels that were assigned to it through the Seventh Amendment and accepts Parcel 2B to the Leased Premises and Purchase Option Parcels of the Master Lease.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1: Amendment 8-a to the Industrial Development Lease and Option to Purchase with US Depot Lands, LLC is approved, and the City Manager or his designee is authorized to execute the Amendment.

Section 2: Exhibit A is part of this Resolution.

Adopted by the City of Sacramento City Council on July 27, 2010 by the following vote:

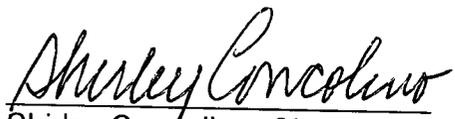
Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Waters, and Mayor Johnson.

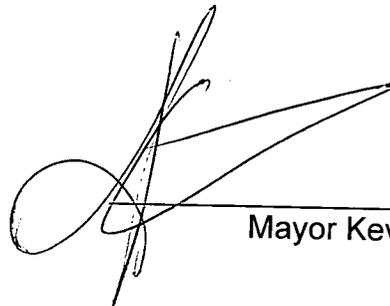
Noes: None.

Abstain: None.

Absent: Councilmember Tretheway.

Attest:


Shirley Concolino, City Clerk



Mayor Kevin Johnson