VBLIC UTILITIES



PROPOSED 5-YEAR GROUND LEASE AGREEMENT WITH DRIVETIME CAR SALES COMPANY FOR A TOTAL REVENUE OF \$832,128

Riverside Public Utilities

Board of Public Utilities May 13, 2019

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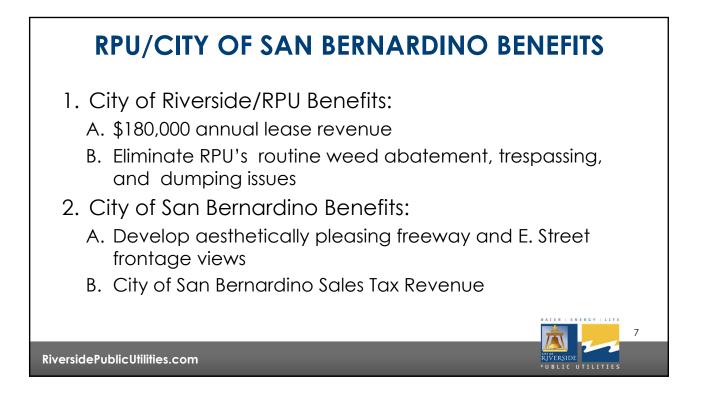
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GROUND LEASE TERMS

- 1. Initial five-year term
 - A. Four (4) 5-year extensions
 - B. \$1,500/month interim rent for the first four months
 - C. Eight months of rent abatement thereafter
 - D. \$15,000 monthly base rent; \$180,000 annually
 - E. 2.5% fixed annual increases to base rent

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RECOMMENDATIONS

That the Board of Public Utilities recommend that the City Council:

- 1. Approve the five-year ground lease agreement with DriveTime Car Sales Company, LLC, of Phoenix, Arizona, for the use of the property located at 1388 South E. Street, San Bernardino, California for a total revenue of approximately \$832,128 during the initial five-year term with the option of four (4) additional fiveyear extensions; and
- 2. Authorize the City Manager, or designee to execute all necessary documents, including making minor non-substantive changes, and the ability to execute the four (4) optional five-year extensions, if necessary.

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