



CITY OF MARTINEZ

CITY COUNCIL AGENDA May 4 2011

TO: Mayor and City Council
FROM: Philip Vince, City Manager
SUBJECT: Letters of Intent for Zocchi Property with Universal Sports Academy and California Court Side
DATE: April 27, 2011

RECOMMENDATION:

Approve Letters of Intent for both the Universal Sports Academy and California Court Side Projects.

BACKGROUND:

The City Council indicated a desire to develop a mixed use development project for the Zocchi property- the pending projects are two separate indoor athletic facilities – The 48,000 sq. ft. site would be utilized by the “Universal Sports Academy” while the 30,000 sq. ft. site would be utilized by the “California Court Side”

The City Council directed staff to begin the development process with both parties of the Zocchi Property Warehouses at 360 Ferry Street during the council meetings of April 6, 2011 and April 20, 2011. The first phase of this process is the approval of Letters of Intent with both parties.

The Letter of Intent has been crafted outlining several steps the groups and the City will be going through working towards the planning and development of these sites and finally a lease document that would be brought before the City Council for final approval before beginning construction.

This purpose for having a Letter of Intent outlines the items that need to be resolved before the City can enter into a lease agreement with the vendors. Key items include:

- Formation of the legal entity with which the City would enter into the agreement with;
- Cost responsibilities for items such as drafting the lease and CEQA;
- Providing an expanded financial model that includes greater detail covering capital maintenance and capital investment repayment; and
- Clearance from utility agencies that current infrastructure can support the vendors use of the facilities.

These key findings are critical to ensuring the success and viability of the project before entering into a lease agreement with the vendors.

Concurrent with the Letter of Intent items is the development of a lease agreement which is underway.

FISCAL IMPACT:

The City Council has authorized the expenditure of up to \$10,000 for the development of each lease (a total of \$20,000) in actions taken back on April 6, 2011 and April 20 2011.

ACTION:

Motion authorizing the Mayor and/or the City Manager to enter into Letters of Intent.

Attachments:

- * A) Letter of Intent Universal Sports Academy
- * B) Letter of Intent California Court Side

A handwritten signature in black ink, appearing to read "Philip Vance". The signature is written in a cursive, flowing style.

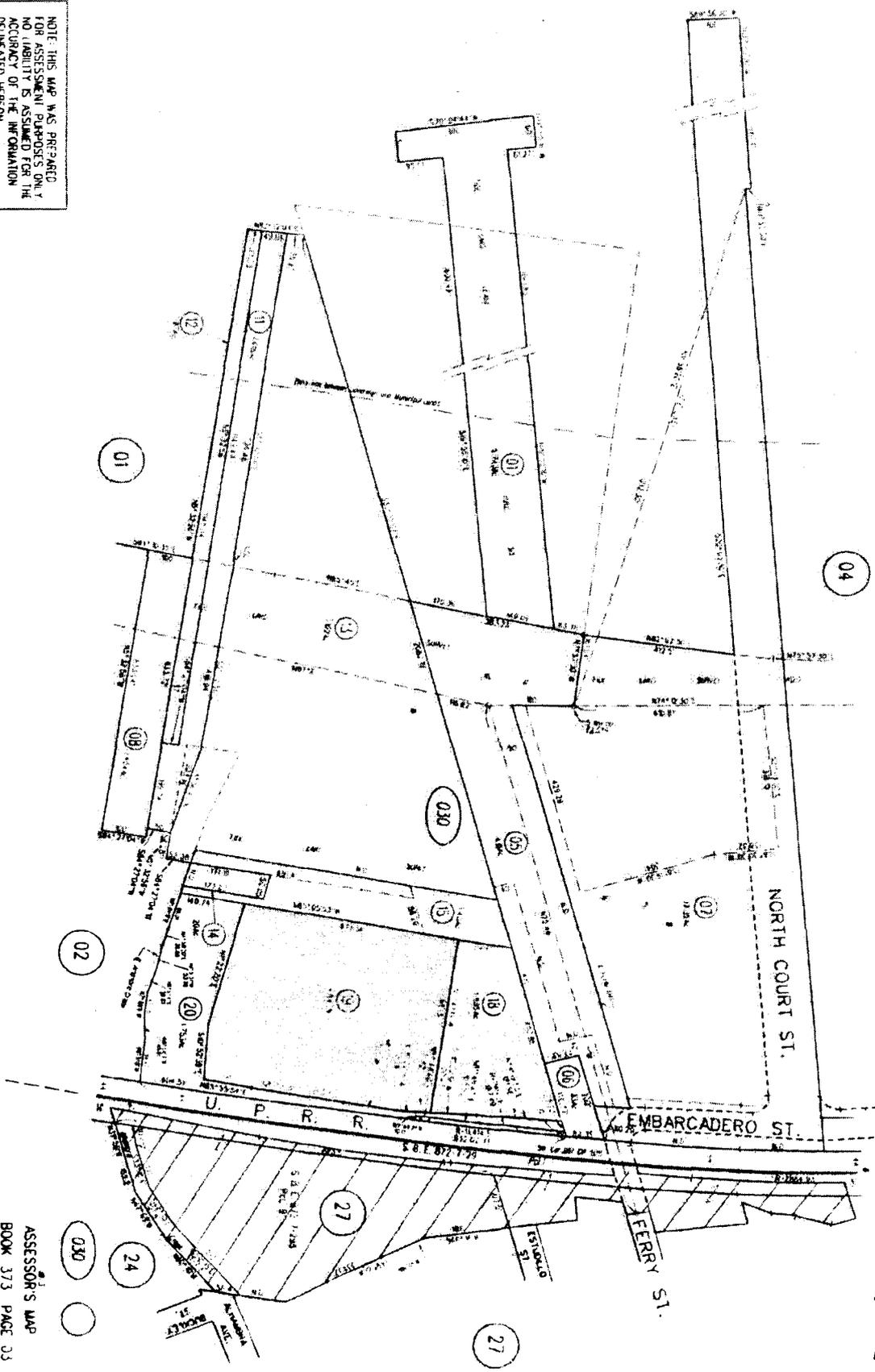
APPROVED BY: City Manager

*Note: Letters of Intent will be available on Tuesday.

Attachment A

TIDE LAND SURVEYS NO. 2, 4, 9 & 17

NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO WARRANTY IS MADE FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON.



ASSASSOR'S MAP
BOOK 373 PAGE 03
AMS 10-27-99 CONTRA COSTA COUNTY, CALIF.

Attachment B

