

storage container converted to food preparation/service facility, along with a fenced in seating area. Examples of these types of improvements are attached. This type of land use will require the approval of a Temporary Use Permit application from the City and approval from San Bernardino County Public Health Division. The Lease Agreement does not provide for any reserved parking for Brewcaipa patrons on the subject property. Although the construction of the Uptown Park will further limit the open area between the brewery and the park site, the balance of the property will continue to remain available for public parking.

An additional provision requested by Brewcaipa in conjunction with the land and building leases is to install an opening in the building to connect the land lease area with the building interior. The proposed opening is requested to be approximately 8’ high and 8’ wide and to include a roll-up door. Any alteration or opening to the wall is subject to the appropriate building permits and other requirements. Brewcaipa will be responsible to remove the door and enclose the opening in the same or better condition than exists should the opening/roll-up door no longer be necessary or allowed. To ensure that the City not bear any cost associated with the door removal and wall replacement, Brewcaipa will be required to secure a bond or deposit account that covers the cost of the re-construction to the original condition. Should City Council approve the request for the added door, staff recommends that the Amendment to the Building Lease be revised to include language addressing the opening installation and potential removal/replacement, and that the City Manager be authorized to complete the revisions to the amended lease.

Exclusive Negotiating Agreement

The provisions of the ENA grant an eighteen (18) month period to Brewcaipa to negotiate the terms of, and ultimately enter into a, Disposition and Development Agreement (DDA) for the property adjoining the Brewcaipa building. The City agrees not to negotiate for the sale or development of the property with any party other than Brewcaipa. The key purpose for the use of an ENA is to allow Brewcaipa the opportunity to research and prepare conceptual plans for the future development of the site for the City’s consideration. Once agreement upon the land uses, scale and scope of the future project is achieved, the parties will negotiate the terms of the DDA.

Building Improvements

On December 14, 2015, City Council awarded a contract for the 35058 Yucaipa Boulevard Building Improvement Project (Project) to Torga Electrical in the amount of \$204,724, approved a construction contract contingency in the amount of \$10,000 and authorized the amount of \$5,000 for construction contract administration, for a total project construction budget in the amount of \$219,724.

On January 25, 2016, City Council approved Contract Change Orders No. 1 and No. 2 to complete improvements to the roof in the amount of \$58,000 and to install the HVAC in the amount of \$6,000. City Council also authorized an additional construction contract contingency amount of \$7,700 for a total project contingency in the amount of \$17,700 and also increased the construction contract administration, inspection and testing budget by the amount of \$6,000 for a total in the amount of \$11,000. Due to the increase in cost, City Council allocated an additional amount of \$79,424 from the Economic Development Initiative Account for the completion of the Project.

At the February 22, 2016 City Council Meeting, Council approved the purchase in the amount of