



ACBL of Santa Cruz County

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**Unit
550**

Date: December 31, 2011

To: Unit 550 Members

From: Unit 550 Board of Directors

Subject: New Location

Each five years Unit 550 has an option to renegotiate the lease for the Santa Cruz Bridge Center building. The lease requires six months advance notice for a decision to stay or leave. The Unit 550 Board of Directors has evaluated several alternatives leading up to the advance notice date. While the cost of commercial properties has dropped over the past several years, our options are limited due to the requirements to maintain a central county location and to have adequate parking.

The current landlord, Bruce Canepa, proposed a rent reduction when the Unit Board told him that other locations were being considered. The Unit Board countered with a request for a further rent reduction more in line with the market along with much needed improvements. Mr. Canepa declined any further negotiations, stating that he had another party interested in the facility.

After reviewing several locations and evaluating the pros and cons, the Unit Board on December 30th approved entering into a ten year lease for a portion of the West Marine building at 2450 17th Avenue in Santa Cruz.

There are several important advantages to the new site: the space is larger, air conditioned and more usable; there is new carpeting and fresh paint; there are new, larger ADA restrooms, accommodating more people; the large parking lot is well-lighted with more disabled spaces; there is a separate room for concurrent events such as

lessons or a limited masterpoint game; being much newer, it will have fewer maintenance issues; and, the professional property management is likely to be more responsive to facility issues when they occur.

The initial annual rent will be slightly less than we are paying now. After three years, the rent increases by the rate of inflation, a similar formula to the current lease.

The Unit Board has signed a *Letter of Intent* with the property manager. After the lease document is signed, the property manager will construct our specified improvements to the facility. Located on the second floor, the Santa Cruz Bridge Center is expected to open for bridge no later than **July 1, 2012**.

The Unit Board hopes everyone will be happy the new location. We will attempt to answer any of your concerns over the next several months. We believe the new facility provides a better future for bridge in Santa Cruz county which will increase the overall enjoyment of our great game.