



City of Colusa California

STAFF REPORT

DATE: April 15, 2025
TO: Mayor and Members of the City Council
FROM: Jesse Cain, City Manager

AGENDA ITEM:

Consideration of a Resolution authorizing the City Manager to sign the Lease Agreement with Glanris, Colusa LLC for 37,000 square feet at 1480 Will S Green Avenue, the former Pirelli Building which is now called the Colusa Bio Innovation Center.

Recommendation: Council to adopt the Resolution authorizing the City Manager to execute the Lease Agreement.

BACKGROUND ANALYSIS:

The City of Colusa entered into an Electric Power Purchase (PPA) Agreement with Glanris Colusa LLC, in December 2023. They are now at a point to begin this summer on building out the project. As you can see by the date of the PPA, this has been a project that has been developing over the last couple of years. Two years ago, Ryan, Denise and I went out to Olive Branch, Mississippi to tour their current operations to see what they would be bringing to Colusa. This project will create new high-paying jobs for Colusa and become an asset for the City of Colusa.

We currently have three leases for the Bio Innovation Center that are completed or in progress. This fourth lease will complete and fill all of the square footage in the building, excluding the office space. Glanris is leasing 37,000 square feet at \$.45 per square foot. This is an average price for this type of industrial building. The lease is for twenty years, with a cost-of-living built into the lease agreement.

As an attachment, I have included a bid proposal on the work that needs to be completed to the building in order for this project to be installed. I am still working on what would be the City's portion. Based on the bid proposal, our costs would be around \$275,000. Glanris will construct and pay for the City's improvements that are required by law as part of their tenant improvements. As stated in the lease, they will be deducting the costs of the City's improvements from the monthly lease payment.

BUDGET IMPACT:

STAFF RECOMMENDATION:

Approve Resolution 25-
Lease Agreement
Bid Proposal