

**PERALTA COMMUNITY COLLEGE DISTRICT**  
**Board of Trustees Agenda Report**  
**For the Trustee Meeting Date of December 10, 2013**

**ITEM TITLE:**

Consider approval of Amendment No. 3 to Lease 2070 Allston Way, Berkeley, California for Berkeley City College.

**SPECIFIC BOARD ACTION REQUESTED:**

Approval is requested to extend the term of the lease for 18 months, from November 30, 2013 (the "Commencement Date"), until no later than 11:59 pm on May 31, 2015 (the "Termination Date"), in the amount of \$283,352.00.

**ITEM SUMMARY:**

THIS LOCATION WILL SERVE AS A SWING SPACE WHILE THE COLLEGE CONTINUES ITS SEARCH FOR A SECOND PERMANENT SITE.

THE AMENDMENT INCLUDES:

- THE BASE RENT SHALL BE \$14,500.00 PER MONTH FOR THE FIRST YEAR.
- ON DECEMBER 1, 2014 AND ON EACH SUCCEEDING ANNIVERSARY DATE THEREOF, THE MONTHLY BASE RENT FOR THE NEXT SUCCEEDING TWELVE-MONTH PERIOD OF THE TERM SHALL BE INCREASED BY THREE PERCENT (3%) SO THAT THE MONTHLY BASE RENT FOR THE FOLLOWING TWELVE MONTHS WILL BE \$14,935.00.
- THE FOLLOWING TENANT IMPROVEMENTS ARE INCLUDED:
  - A) PAINT WITH THE PREMISES.
  - B) CLEAN THE CARPET
  - C) CLEAN THE WINDOWS, WINDOW SILLS AND HVAC VENT COVERS IN CLASSROOMS.
  - D) REPLACE DAMAGED OR MISSING CEILING TILES WITHIN CLASSROOMS.
  - E) PROVIDE LIGHT BULBS WITHIN PREMISES WHERE MISSING OR EXPIRED.

IN ADDITION TO THE MONTHLY LEASE PAYMENTS TOTALING \$263,610.00, THE DISTRICT IS REQUIRED TO PAY A PROPORTIONATE SHARE OF THE BUILDING OPERATING COSTS. BASED ON ACTUAL CHARGES TO DATE, THIS COST IS ESTIMATED AT \$819 PER MONTH, OR \$14,742.00 FOR EIGHTEEN MONTHS. THE CITY OF BERKELEY DOWNTOWN ASSOCIATION ALSO HAS AN ASSESSMENT AND IT IS ESTIMATED AT \$5,000.00. THE TOTAL BUDGET FOR THE LEASE EXTENSION (ACTUAL RENT PLUS ESTIMATED OPERATING COST AND ASSESSMENT) IS \$283,352.00.

**SOURCE OF FUNDS**

UNRESTRICTED GENERAL FUND

**BACKGROUND/ANALYSIS:**

MEASURE A FUNDS WERE USED TO PAY FOR THE ORIGINAL LEASE. HOWEVER, WITH THE FINAL PHASE OF CONSTRUCTION COMPLETED AT 2050 CENTER STREET, THE SWING SPACE NO LONGER QUALIFIES FOR MEASURE A FUNDING.

**ALTERNATIVES/OPTIONS:**

**Not applicable**

**EVALUATION AND RECOMMENDED ACTION:**

APPROVAL IS RECOMMENDED FOR THIS AMENDMENT TO THE LEASE BETWEEN DISTRICT/BERKELEY CITY COLLEGE AND HSR BERKELEY INVESTMENTS, LLC FOR ADDITIONAL CLASSROOM AND OFFICE SPACE LOCATED AT 2070 ALLSTON WAY IN BERKELEY, NOT-TO-EXCEED \$283,352.00.

**OTHER DEPARTMENTS IMPACTED BY THIS ACTION**

YES \_\_\_\_\_ No  X  \_\_\_\_\_

**COMMENTS:**

**WHO WILL BE PRESENTING THIS ITEM AT THE BOARD MEETING?**

**PRESIDENT BUDD**

(\*\*\*\*\*Board contract approval is subject to negotiation and execution by the Chancellor.)

**DOCUMENT PREPARED BY:**

Prepared by: *Shirley Slaughter*

Shirley Slaughter, Director of Business and Administrative Services

**DOCUMENT PRESENTED AND APPROVED BY:**

Presented and approved by: *Dr. Debbie Budd*

[Enter Here - Name of College President, (if originating from a college) or Vice-Chancellor (if originating from the District)]

**FINANCE DEPARTMENT REVIEW**

Finance review required       Finance review *not* required

If Finance review is required, determination is:       Approved       Not Approved

If not approved, please give reason: \_\_\_\_\_

Signature: \_\_\_\_\_ *Susan Rinne*

Susan Rinne, Interim Vice Chancellor for Finance and Administration

**GENERAL COUNSEL (Legality and Format/adherence to Education Codes):**

Legal review required for bond funds       Legal review *not* required

If Legal review is required, determination is:       Approved       Not Approved

Signature: \_\_\_\_\_

**CHANCELLOR'S OFFICE APPROVAL**

Approved, and Place on Agenda       Not Approved, but Place on Agenda

Signature: \_\_\_\_\_ *José M. Ortiz*

Dr. José M. Ortiz, Chancellor