

PERALTA COMMUNITY COLLEGE DISTRICT
Board of Trustees Agenda Report
For the Trustee Meeting Date of December 8, 2015

ITEM TITLE: Consider approval to lease 2000 Center Street, Berkeley, California for Berkeley City College.

SPECIFIC BOARD ACTION REQUESTED: APPROVAL IS REQUESTED TO ENTER INTO A LEASE AGREEMENT BETWEEN 2000 CENTER STREET LLC (LANDLORD) AND PERALTA COMMUNITY COLLEGE DISTRICT FOR BERKELEY CITY COLLEGE(TENANT) FROM JUNE 1, 2015 (THE COMMENCEMENTDATE), UNTIL NO LATER THAN JUNE 30, 2019 (THE TERMINATION DATE), IN THE AMOUNT OF\$280,000 YEAR ONE (PLUS ONE MONTH), \$247,200 YEAR TWO AND \$254,616 IN YEAR THREE.

ITEM SUMMARY: THIS LOCATION WILL SERVE AS THE NEW SWING SPACE FOR THE COLLEGE DURING CONSTRUCTION ON 2118 MILVIA STREET. THE CURRENT SWING SPACE LOCATED AT 2070 ALLSTON WAY IS SCHEDULED TO BE TORN DOWN AND CONVERTED INTO CONDOMINIUMS THUS THE NEED TO LEASE A NEW FACILITY.

TERMS OF LEASE:

- A SECURITY DEPOSIT (\$20,000.00) PLUS THE FIRST MONTH RENT (\$20,000.00) IS REQUIRED ON JUNE 1, 2015.
- THE BASE RENT SHALL BE \$20,000.00 PER MONTH FOR THE FIRST YEAR
- BASE RENT SHALL BE INCREASED AT THE END OF EACH TWELVE MONTHS DURING THE TERM OF THE LEASE BY AN AMOUNT EQUAL TO THREE PERCENT OF THE PREVIOUS YEAR'S BASE RENT.
- BASE RENT IN THE 2ND YEAR WILL BE \$20,600.00 PER MONTH AND INCREASE TO \$21,218.00 PER MONTH IN YEAR THREE.
- THE DISTRICT IS REQUIRED TO PAY A PROPORTIONATE SHARE OF THE BUILDINGS OPERATING COST AND PROPERTY TAXES IF THEY EXCEED BASE YEAR EXPENSES.
- THE COLLEGE WILL PAY HVAC COST NOT TO EXCEED \$1,100.00 PER MONTH.

SOURCE OF FUNDS (AND FISCAL/BUDGETARY IMPACT): UNRESTRICTED GENERAL FUND

BACKGROUND/ANALYSIS: DUE TO THE PLANNED CONVERSION OF 2070 ALLSTON WAY, BERKELEY, CA INTO CONDOMINIUMS, THE COLLEGE HAS IDENTIFIED A MORE DESIRABLE LOCATION FOR INSTRUCTIONAL SERVICES.

ALTERNATIVES/OPTIONS: NONE

EVALUATION AND RECOMMENDED ACTION: Approval is recommended to enter into a lease between District/Berkeley City College and 2000 Center Street LLC for additional classroom and office space located at 2000 Center Street.

OTHER DEPARTMENTS IMPACTED BY THIS ACTION:

Yes

No

CoMMENTS:

WHO WILL BE PRESENTING THIS ITEM AT THE BOARD MEETING? (VICE CHANCELLOR)

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

COMMENTS:

WHO WILL BE PRESENTING THIS ITEM AT THE BOARD MEETING? DR. DEBBIE 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

DR. DEBBIE BUDD, PRESIDENT

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: _____

Ron Little, Vice Chancellor, Finance and Administration

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

Legal review required Legal review *not* required

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

Signature: _____

Nitasha Sawhney, Acting General Counsel

CHANCELLOR'S OFFICE APPROVAL

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

Signature: Dr. Jowel Laguerre

Dr. Jowel C. Laguerre, Chancellor