ORDINANCE NO. 7,671-N.S.

AUTHORIZING LEASE AMENDMENT FOR THE USE OF 841 FOLGER STREET AND 3000 7^{TH} STREET

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. FINDINGS

- A. The City adopted Ordinance No. 7,079-N.S. authorizing a Lease Agreement with Sasha Shamszad (Lessor) effective July 15, 2009 ("Lease") to use Lessor's property, located at 841 Folger Street and 3000 7th Street, as set forth in the Lease Agreement..
- B. In the Lease, the City and Lessor agreed to an initial term, beginning on July 15, 2009 and ending July 15, 2014 and City exercised its right to an option term, beginning on July 16, 2014. The lease is set to expire on July 16, 2019.
- C. The City is preparing to move its Traffic Substation to 125/127 University Avenue. This move will require various modifications to the building and adjacent parking area at 125/127 University Avenue. These modifications are scheduled for completion in February of 2020.
- D. The existing lease agreement expires July 16, 2019 and the new facility won't be available until at least February 2020. A six month lease extension plus holdover period are needed to bridge the gap in order to maintain our current level of service to the community.

<u>Section 2.</u> AUTHORIZATION FOR CITY MANAGER TO AMEND LEASE AGREEMENT WITH SASHA SHAMSZAD

The City Manager is hereby authorized to amend the lease agreement with Sasha Shamszad for improved real property at 841 Folger Street and 3000 7th Street, and to make any amendments thereto. Such lease amendment shall be on substantially the terms set forth in Exhibit A.

Section 3. POSTING

Copies of this Ordinance shall be posted for two consecutive days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King, Jr. Way. Within fifteen days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library, and the title shall be published in a newspaper of general circulation.

At a regular meeting of the Council of the City of Berkeley held on July 16, 2019, this Ordinance was passed to print and ordered published by posting by the following vote:

- Ayes: Bartlett, Davila, Droste, Hahn, Harrison, Kesarwani, Robinson, Wengraf, and Arreguin.
- Noes: None.
- Absent: None.

AMENDMENT TO LEASE AGREEMENT

This Lease amendment ("Amendment") is made on July _____, 2019, between the CITY OF BERKELEY ("City" or "Lessee") and SASHA SHAMSZAD ("Lessor"), who agree as follows:

This Amendment is made with reference to the following facts and objectives:

A. The City entered into a Lease Agreement with Lessor which was effective on July 15, 2009 ("Lease") to use Lessor's property, located at 841 Folger Street and 3000 7th Street, as set forth in the Lease Agreement. A copy of Ordinance No. 7,079-N.S authorizing the lease agreement is attached hereto as Exhibit A.

B. In the Lease, the City and Lessor agreed to an initial term, beginning on July 15, 2009 and ending July 15, 2014 and City exercised its right to an option term, beginning on July 16, 2014. The lease is set to expire on July 16, 2019.

C. City and Lessor now wish to amend certain terms of the Lease, as set forth below.

Therefore, the Lessor and Lessee agree as follows:

- 1. Section 3 (Term) is hereby amended to read: "The Commencement Date and Original Term of this Lease are as specified in Paragraph 1.3, except that the term of this Lease shall expire six months following approval of this amendment by the Berkeley City Council and executed by both Lessee and Lessor."
- 2. Section 63 (Holding Over) is added as follows:

If, without objection by Lessor, Lessee holds possession of the Premises after expiration of the lease term, as extended by this amendment, Lessee shall become a Lessee from month-to-month upon all provisions of this Lease applicable immediately prior to the expiration of such Term. Each party shall give the other at least thirty (30) days' written notice of its intention to terminate such month-to-month tenancy.

3. In all other respects, the Lease Agreement with an effective date of July 15, 2009, shall remain in full force and effect.

IN WITNESS WHEREOF, City and Lessor have executed this Amendment as of the date written on the first paragraph above.

CITY OF BERKELEY

BY:

APPROVED AS TO FORM:

City Manager

City Attorney

REGISTERED BY:

ATTEST:

City Auditor

City Clerk

LESSOR SASHA SHAMSZAD

By: SASHA SHAMSZAD Title:

City of Berkeley Business License No.