

ORDINANCE NO. 7,931-N.S.

AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT FOR OFFICE SPACE FOR THE OFFICE OF THE DIRECTOR OF POLICE ACCOUNTABILITY AT 1900 ADDISON STREET

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

Section 1. FINDINGS

The City Manager, or their designee, is hereby authorized to execute a lease agreement with The Shamszad Family Living Trust for the property located at 1900 Addison Street with a lease term beginning on September 1, 2024 with an initial term of ten (10) years. The lease shall be on substantially the terms set forth in Exhibit A.

Section 2. AUTHORIZATION FOR CITY MANAGER TO ENTER INTO LEASE AT 1900 ADDISON STREET

The City Manager is hereby authorized to enter into a 10-year lease agreement with the option for a 10-year extension with The Shamszad Family Living Trust for real property located at 1900 Addison Street. Such lease shall be on substantially the terms set forth in Exhibit A.

Section 3. Copies of this Ordinance shall be posted for two 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 15 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 23, 2024, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Hahn, Humbert, Kesarwani, Lunaparra, Taplin, Tregub, Wengraf, and Arreguin.

Noes: None.

Absent: None.

Exhibit A: Lease Terms and Conditions

Exhibit B: Floor Plans

Exhibit A: Lease Terms and Conditions

LEASE

By and Between

THE SHAMSZAD FAMILY LIVING TRUST
("Landlord")

and

CITY OF BERKELEY
a Charter City organized and existing under the laws of the State of California
("Tenant")

Dated: September 1, 2024

LEASE**BASIC LEASE INFORMATION**

1. **Landlord:** The Shamszad Family Living Trust
2105 Martin Luther King Jr. Way, 2nd Floor
Berkeley, CA 94704
Attn: SG Real Estate, Inc.
Telephone: 510-704-1240
Email Address: Support@sgrealestateco.com
2. **Tenant:** City of Berkeley
2180 Milvia Street
Berkeley, CA 94704

Tenant Contact: Public Works Department – Real Property
1947 Center Street, 5th Floor, Suite 521
Berkeley, CA 94704
Phone: 510-981-6453
Email Address: real_property@berkeleyca.gov and
DEarly@berkeleyca.gov
3. **Effective Date:** September 1, 2024
4. **Premises:** Approximately 5,150 rentable square feet of office space consisting of Suites 300 and 350 located on the third floor of the building commonly known and referred to as 1900 Addison Street, Berkeley, California 94704 (the “**Premises**”).
5. **Permitted Uses:** General office, administration, classrooms, and training functions including but not limited to the Police Accountability Board and the Office of the Director of Police Accountability. Any other associated or related legal uses shall be permitted.
6. **Initial Term:** Ten (10) year(s), commencing on the "**Effective Date.**"
7. **Base Rent:** Monthly Base Rent due during the Term shall be as per the following schedule:

<u>Months</u>	<u>Monthly Rent</u>
01	\$-0-
02 – 12	\$13,647.50
13 – 24	\$13,920.45

25 – 36	\$14,198.86
37 – 48	\$14,482.84
49 – 60	\$14,772.49
61 – 72	\$15,067.94
73 – 84	\$15,369.30
85 – 96	\$15,676.69
97 – 108	\$15,990.22
109 – 120	\$16,310.03

8. Interim Space: From June 1, 2024 through September 1, 2024 or when improvements to the Premises are complete and deemed occupiable, whichever comes first, the landlord agrees to provide alternative office space at 2020 Milvia Street, Berkeley, CA for the Tenant's use at no cost to the Tenant.

The Basic Lease Information set forth above and the Exhibits attached hereto are incorporated into and made a part of the following Lease. In the event of any conflict between the Basic Lease Information and terms of the Lease, the terms of the Lease shall control.

LANDLORD'S INITIALS 

TENANT'S INITIALS _____

LEASE

This Lease Agreement ("**Lease**") is made and entered into as of the effective date specified in Section 3 of the Basic Lease Information, above ("**Effective Date**"), by and between The Shamszad Family Living Trust ("**Landlord**"), and the City of Berkeley, a Charter City organized and existing under the laws of the State of California ("**Tenant**").

1. **PREMISES.**

1.1. **Premises.** Landlord is the owner of the land parcel(s) on which the Premises are located (the "**Property**"). Landlord hereby leases to Tenant, and Tenant leases from Landlord, the Premises together with Tenant Improvements (defined below), if any. A drawing depicting the general location and layout of the demised Premises is attached hereto and incorporated by reference as **Exhibit A.** Any improvements or alterations existing in the Premises, or otherwise constructed by Tenant or on Tenant's behalf therein (whether under this Lease, or any prior lease or sublease) are referred to in this Lease as "**Tenant Improvements.**" Tenant shall also have non-exclusive use of three (3) parking stalls located on the Property.

2. **TERM.**

2.1. **Initial Term.** The "**Initial Term**" of this Lease shall be as set forth in Section 6 of the Basic Lease Information and shall commence as of the Commencement Date set forth in Section 6 of the Basic Lease Information. The Initial Term together with any Renewal Term(s), if any, are collectively referred to herein as the "**Term.**"

2.2. **Renewal Terms.** Tenant shall have one (1) option to renew this Lease for a term of ten (10) years (a "**Renewal Term**").

2.2.1 **Rent during Renewal Term.** The Base Rent during each Renewal Term shall increase by two percent (2%). The Base Rent for the first year of the Renewal Term shall be equal to the last month Base Rent of the Initial Term times the two percent (2%) increase.

2.2.2 **Notice.** Tenant will provide Landlord with written notice of its election to renew the Lease with no less than four (4) months and not more than six (6) months, prior to the end of the Initial Term. If Tenants fails to provide such notice, its right to renew the Lease will not expire until fifteen (15) working days after the Tenant's receipt of Landlord's written demand that the Tenant exercise or forfeit the option to renew.

2.2.3 **Extension of Term.** Upon the commencement of a Renewal Term, all references to the Term of this lease will be deemed to mean the Term as extended pursuant to this Section 2.2.

2.2.4 **Interim Space.** From June 1, 2024 through September 1, 2024 or when improvements to the Premises are complete and deemed occupiable, whichever comes first, the landlord agrees to provide alternative office space at 2020 Milvia Street, Berkeley, CA for the Tenant's use at no cost to the Tenant.

3. RENT

3.1. Base Rent, Rent. All Rent under this Lease shall commence as of the Commencement Date. Rent shall be paid as set forth in this Section 3. Tenant shall pay to Landlord, at Landlord's address for payment of Rent designated in Section 1 of the Basic Lease Information, or at such other address as Landlord may from time to time designate in writing to Tenant for the payment of Rent, the Base Rent designated in Section 7 of the Basic Lease Information, without notice, demand, offset or deduction, in advance, on the first day of each month of the Term. Upon execution of this Lease, Tenant shall pay to Landlord the first month's Base Rent. If Rent is due for a period of less than a full month, it shall be prorated for such partial month on the basis of a 30-day month.

3.1.1 Application of Payments. All payments received by Landlord from Tenant shall be applied to the oldest obligation owed by Tenant to Landlord. No designation by Tenant, either in a separate writing, on a check or money order, or otherwise shall modify this clause or have any force or effect.

4. UTILITIES.

4.1. Landlord Utility and Service Costs. Landlord shall pay for all utilities and services required or desired by Tenant in connection with its use or occupancy of the Premises, including: (i) heat and air conditioning; (ii) water; (iii) gas, if applicable; (iv) elevator or lift service, if any; (v) electricity; (vi) sewer; (vii) trash pick-up; and (viii) any other materials, services, or utilities (individually and collectively, the "Services").

4.2. Tenant's Responsibilities. Tenant will be responsible and pay for any security, telephone service, and information technology (IT) brought into the Premises.

4.3. Conservation and Use Policies. Landlord shall comply with federal, state, or local governmental controls, rules, regulations, or restrictions on the use or consumption of energy or other utilities during the Term.

5. TAXES.

5.1. Taxes. As used in this Lease "Taxes" includes Property Taxes, Possessory Interest Taxes and Personal Taxes. Landlord shall be responsible for paying all Taxes under this Lease.

5.2. Property Taxes. "Property Taxes" means and includes all of the following: all real property taxes, public infrastructure improvement assessments or any other assessments, levies, fees, exactions or charges, general and special, ordinary and extraordinary, unforeseen as well as foreseen (including fees "in lieu" of any such tax or assessment) which are assessed, levied, charged, conferred or imposed by any public authority upon the Property. Nothing contained in this Lease shall require Tenant to pay any franchise, corporate, estate or inheritance tax of Landlord, or any income, profits or revenue tax or charge upon the net income of Landlord.

6. INSURANCE.

6.1. Landlord. Landlord shall maintain insurance or an insurance equivalent insuring the Premises (excluding Tenant's Property and any Tenant Improvements) on an occurrence basis against fire and extended coverage (including, "all risk" coverage, earthquake/volcanic action, flood and/or surface water insurance) similar in type and coverage limits to that carried by Landlord on its other properties. At Landlord's option, such insurance or insurance equivalent may be carried under any blanket or umbrella policies or other insurance or insurance equivalent which Landlord has in force for other buildings or projects. Landlord may also carry such other insurance as Landlord may deem prudent or advisable, in such amounts and on such terms as Landlord shall determine. All such insurance or insurance equivalent maintained by Landlord pursuant to this Section 6.1 is referred to herein as "**Landlord's Insurance.**"

6.2. Tenant. Tenant may elect to self-insure, jointly-insure, or maintain insurance or an insurance equivalent (including, but not limited to, that offered to a municipality through and by a joint powers authority, a self-insurance pool of liability coverage authorized pursuant to California Government Code Section 6500, or similar collective) insuring against bodily injury and property damage, personal injury, completed operations and products liability. Tenant shall add Landlord as additionally insured to its policy for any property damage. Tenant shall insure Tenant's personal property located on or in the Premises. All such insurance or insurance equivalent maintained by Tenant pursuant to this Section 6.2 is referred to herein as "**Tenant's Insurance.**"

7. INDEMNITY; LIABILITY EXEMPTION.

7.1. Indemnity. Except to the extent claims are caused by Tenant's sole negligence or willful misconduct, Landlord shall indemnify, protect, defend, and hold harmless Tenant and its elected officials, officers, employees, volunteers, lenders, agents, representatives, contractors and each of their successors and assigns from and against any and all claims, judgments, causes of action, damages, penalties, costs, liabilities, and expenses, including all costs, attorneys' fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon, arising at any time during or after the Term as a result (directly or indirectly) of or in connection with (i) any default in the performance of any obligation on Landlord's part to be performed under the terms of this Lease; (ii) Landlord's use of the Premises, the conduct of Landlord's business or any activity, work or thing done, permitted or suffered by Landlord in or about the Premises or the Property; or (iii) any act, error or omission of Landlord in or about the Property or any portion thereof (collectively, the "**Indemnification**"). Landlord shall provide such Indemnification by and through counsel reasonably acceptable to Tenant. Without limiting Landlord's Indemnification obligations, Tenant shall be entitled to participate in the defense of any third-party claim that is reasonably likely to give rise to Indemnification claim under this Section 7.1. The obligations of Landlord under this Section 7.1 shall survive the

expiration or other termination of this Lease with respect to any claims or liability arising prior to such expiration or other termination.

7.2. Exemption of Landlord from Liability. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property including, but not limited to, Tenant's Property and any Tenant Improvements, and injury to or death of persons in, upon or about the Premises or the Property arising from any cause, and Tenant hereby waives all claims in respect thereof against Landlord, except to the extent such claims are caused by Landlord's sole or active negligence or willful misconduct. Tenant hereby agrees that Landlord shall not be liable for injury to Tenant's business or any loss of income therefrom or for damage to the property of Tenant, or injury to or death of Tenant's officers, agents, or employees, or any other person in or about the Premises or the Property, whether such damage or injury is caused by fire, steam, electricity, gas, water or rain, or from the breakage, leakage or other defects of sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, or from any other cause, whether said damage or injury results from conditions arising within or about the Premises or the Property or from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible to Tenant, except damage or injury caused solely by Landlord's sole or active negligence or willful misconduct. Landlord shall not be liable for any damages arising from any act or neglect of any other tenant or occupant, if any, of the Premises or the Property except to the extent such damages are caused by Landlord's failure to enforce the terms of any agreements with parties other than Tenant.

8. REPAIRS AND MAINTENANCE

8.1. Roof and Exterior of Premises. Landlord shall keep the roof and exterior of the Premises in good order, condition, and repair, and shall maintain the structural integrity of the Building, including the exterior doors and their fixtures, closers and hinges, exterior windows, glass and glazing, used in the Building. Tenant shall maintain all locks and key systems used in the Premises.

8.2. Interior of Premises. Tenant shall keep and maintain the interior of the Premises in good order, condition and repair. Notwithstanding anything to the contrary, Landlord shall repair damage to the interior caused by its failure to maintain the exterior in good repair, including damage to the interior caused by roof leaks and/or interior and exterior wall leaks. Landlord shall maintain and replace any lighting in the interior of the Premises.

8.3. Utilities. Landlord shall maintain the electrical, replace any lighting in the Premises, water, and plumbing systems of the Premises in good order, condition, and repair.

8.4. HVAC. Landlord shall maintain the heating, ventilating, and air-conditioning ("HVAC") systems of the Premises in good order, condition, and repair.

8.5. Parking, Exterior Lighting, Landscaping. Landlord shall maintain the parking lot, exterior lighting system, and landscaping, in good order, condition, and repair.

8.6. Janitorial Services. Landlord shall provide janitorial services to the common areas of the property on a daily basis and shall be responsible any plumber services, if necessary. Tenant shall be responsible for any janitorial cleaning of the Premises.

8.7. Services by Landlord. If Tenant determines that the Premises require maintenance, construction, remodeling, or similar service that is beyond Landlord's responsibilities under this lease, at Tenant's request, Landlord shall perform such service at Tenant's expense. In performing the service, Landlord shall consult with Tenant and use either licensed insured contractors or employees of Landlord. Landlord shall obtain Tenant's prior written approval of the scope, terms, and cost of any contracts. Tenant may, by Tenant giving Landlord thirty (30) days prior written notice, change the level of service, terminate any or all service, or require that a service be performed by a different contractor. Landlord has agreed to provide information technology (IT) work inside the Premises for Tenant, based on specifications provided by Tenant to Landlord's contractor. In addition, Tenant shall pay to Landlord for the above IT work based on a final invoice from Landlord's contractor.

9. ALTERATIONS.

9.1. Alterations. Tenant may, at its sole cost and expense, install, operate, maintain, upgrade, repair, or replace an alarm, access control, or other building security system.

9.2. Standard of Work. All work to be performed by or on behalf of Tenant shall be performed diligently and in a first-class, workmanlike manner, and in compliance with all applicable Laws and all insurance carrier requirements. Landlord shall have the right, but not the obligation, to periodically inspect such work and may require changes in the method or quality thereof. In no event shall such work materially obstruct access to the Property or any portion thereof.

9.3. Damage; Removal. Tenant shall repair all damage to the Premises, Property and any portions thereof caused by the installation or removal of alterations or other work performed by or on behalf of Tenant. Upon the expiration or other termination of this Lease, Tenant shall remove Tenant's trade fixtures and other improvements, alterations and additions and restore the Premises to their condition existing prior to the construction or installation of any such items and perform any closure work, investigation and environmental remedial work required by the presence or suspected presence of any Hazardous Materials under Hazardous Materials Laws (as hereinafter defined) or by any other applicable Laws; provided, however, Landlord may require, upon written notice to Tenant no less than fifteen (15) days before the expiration or other termination of the Term, any such items (including trade fixtures) designated by Landlord to remain on the Premises, in which event they shall be and become the property of Landlord upon the expiration or other termination of this Lease. All such removals and restoration shall be accomplished in a good and workmanlike manner so as not to cause any damage to the Premises or the Property whatsoever and in strict accordance with all applicable Laws.

9.4. Liens. Tenant shall promptly pay and discharge all claims for labor performed, supplies furnished and services rendered at the request of Tenant and shall keep the Premises and Property and all portions thereof free of all mechanics' and materialmen's liens in connection therewith. Tenant shall provide at least ten (10) business days' prior written notice to Landlord before any labor is performed, supplies furnished or services rendered on or at the Premises and Landlord shall have the right to post on the Premises notices of non-responsibility. If any lien is filed, Tenant shall cause such lien to be released and removed within ten (10) days after the date of filing, and if Tenant fails to do so, Landlord may take such action as may be necessary to remove such lien, without the duty to investigate the validity of it, and Tenant shall pay Landlord such amounts expended by Landlord together with interest thereon, at the Applicable Interest Rate, from the date of expenditure.

9.5. Bonds. Landlord may require Tenant to provide Landlord, at Tenant's sole cost and expense, lien, performance, and payment completion bonds in an amount equal to one and one-half times the estimated cost of any alterations, additions, or improvements to insure Landlord, the Premises and the Property against any liability for mechanic's and materialmen's liens, and to ensure completion of the work and payment of any contractors or subcontractors.

10. USE; INSPECTION; QUIET ENJOYMENT.

10.1. Usage. The Premises shall be used only for the permitted uses set forth in Section 5 of the Basic Lease Information and for no other purpose without the prior written

consent of Landlord. Tenant acknowledges that neither Landlord nor any of Landlord's agents has made any representation or warranty with regard to the Premises, any Tenant Improvements, or the Property with respect to their suitability for the conduct of Tenant's business. Tenant's execution of this Lease and entry of the Premises hereunder shall conclusively establish that the foregoing when at such time in satisfactory condition. Tenant, at Tenant's expense, shall comply with all applicable Hazardous Materials Laws, statutes, laws, codes, rules, orders, zoning, ordinances, directions, regulations, regulations, permits, or other requirements of federal, state, county, municipal, or other governmental authorities having jurisdiction, now in force or which may hereafter be in force (individually "**Law**" and collectively "**Laws**"), which shall impose any duty upon Landlord or Tenant with respect to the use, occupancy, or alteration of the Premises. Tenant shall be responsible for obtaining any permit or license required by any governmental agency permitting Tenant's use of the Premises.

10.2. Inspection. Landlord, or its representative or contractor, may enter the Premises by prior appointment between the hours of 9:00 a.m. and 4:30 p.m., Monday through Friday, holidays excepted, to determine that (i) the Premises is being reasonably cared for, (ii) no waste is being made and that all actions affecting the Premises are done in the manner best calculated to preserve the Premises, and (iii) Tenant is in compliance with the terms and conditions of this lease.

10.3. Quiet Enjoyment. Tenant may not commit, or suffer to be committed, any waste upon the Premises, or any nuisance or other act or thing that may disturb the quiet enjoyment of any other occupant of the Building. For so long as Tenant is in compliance with the material terms of this Lease, Landlord shall warrant and defend Tenant in the quiet enjoyment and possession of the Premises during the Term.

11. ENVIRONMENTAL MATTERS.

11.1. Hazardous Materials Defined. As used in this lease, the term "**Hazardous Materials**" refers to any and all pollutants, wastes, flammables, explosives, radioactive materials, hazardous or toxic materials, hazardous or toxic wastes, hazardous or toxic substances, carcinogenic materials or contaminants and all other materials governed, monitored, or regulated by any Federal, State or local law or regulation, including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act, the Hazardous Substances Account Act, and/or the Resources Conservation and Recovery Act.

11.2. Warranty; Hold Harmless. Landlord warrants that Landlord has no knowledge of the presence of any Hazardous Materials or other contamination in or under the Building or Premises in violation of any laws, codes, rules, orders, ordinances, directives, regulations, permits, or other requirements of federal, state, county, municipal or governmental authorities having jurisdiction, now in force or which may hereafter be in force concerning the management, use, generation, storage, transportation, presence, discharge or disposal of Hazardous Materials. Landlord shall defend, save, protect and hold Tenant harmless from any loss arising out of the presence of any Hazardous Materials on the Premises that was not brought to the Premises by or at the request of Tenant, its agents,

contractors, invitees or employees. Landlord acknowledges and agrees that Tenant has no obligation to clean up or remediate, or contribute to the cost of clean-up or remediation, of any Hazardous Materials unless such Hazardous Materials are released, discharged or spilled on or about the Premises by Tenant or any of its agents, employees, contractors, invitees or other representatives. The obligations of this Section shall survive the expiration or earlier termination of this Lease

12. **DAMAGE AND DESTRUCTION.**

12.1. **Perilous Condition.** If, during the Term, Tenant's Public Works Director becomes aware of a perilous condition on the Premises that, in his or her opinion, substantially and significantly threatens the health and safety of Tenant's employees or invitees (a "**Perilous Condition**"), the Public Works Director, or his or her designee, will immediately notify Landlord of such Perilous Condition, and Landlord shall use best efforts to promptly eliminate the Perilous Condition. Landlord shall immediately address any condition reasonably constituting an emergency, whether Landlord learns of the condition through Lessee or otherwise. If Landlord fails to address a Perilous Condition within thirty-six (36) hours after Tenant's notice or to immediately address an emergency situation, Tenant may attempt to resolve the Perilous Condition or emergency situation. Landlord shall reimburse Tenant for any costs incurred by Tenant in addressing the Perilous Condition or emergency situation promptly upon receipt of any Tenant's invoice for such costs.

12.2. **Casualty.** If, during the Term, the Premises are totally or partially destroyed or utility Services are cut off from any cause rendering the Premises totally or partially inaccessible or unusable (the "**Casualty**"), and if the restoration can be made under then existing Laws and can be completed within one hundred twenty (120) days after obtaining all necessary permits therefor, then Landlord shall restore the Premises (excluding Tenant's Property and any Tenant Improvements) to substantially the same condition as they were in immediately before destruction. If the restoration cannot be so made, then within fifteen (15) days after Landlord determines that the restoration cannot be made as stated in this Section 12.2, Tenant may terminate this Lease immediately by giving written notice to Landlord. If the existing Laws do not permit the restoration, either party may terminate this Lease by giving ninety (90) days prior written notice to the other party. In case of Casualty, there shall be an abatement or reduction of Rent, between the date of Casualty and the date of completion of restoration if restoration takes place, or the date of termination if the Lease is terminated, based on the extent to which the destruction actually interferes with Tenant's use of the Premises.

12.3. **Tenant's Fault.** If the Premises, the Property, or any portion thereof, are damaged resulting from the negligence or breach of this Lease by Tenant or any of Tenant's Parties, Rent shall not be reduced during the repair of such damage, Tenant shall have no right to terminate this Lease as provided in Section 12.2, and Tenant shall be liable to Landlord for the cost of the repair caused thereby to the extent such cost is not covered by insurance proceeds.

12.4. Repair Limitation. Notwithstanding anything in this Lease to the contrary, Landlord shall not be required to repair any injury or damage, by fire or other cause, to Tenant's Property or any Tenant Improvements, if any, or to rebuild, repair or replace any decorations, alterations, partitions, fixtures, trade fixtures, additions or other improvements installed on the Premises by or for Tenant, unless and to the extent Landlord has received insurance proceeds from Tenant's property insurance as provided in Section 6.2 above, and neither Tenant or Landlord has opted to terminate this Lease as provided in Section 12.2.

12.5. Waiver. The provisions of this Lease contain an express agreement between Landlord and Tenant that applies in the event of any Casualty. Tenant fully waives the provisions of any statute or regulation, including California Civil Code sections 1932(2) and 1933(4) (as amended from time to time, and successor statutes thereto) for any rights or obligations concerning a Casualty.

13. EMINENT DOMAIN.

13.1. Effect on Rights and Obligations. If any portion of the Premises is permanently taken by condemnation, this Lease shall remain in effect, except that Tenant may elect to terminate this Lease if 25% or more of the total number of square feet in the Premises is taken. If Tenant elects to terminate this Lease, Tenant must exercise its right to terminate by giving written notice to Landlord within 30 days after the nature and the extent of the taking have been finally determined, as of the date of termination, which date shall not be earlier than 30 days nor later than 90 days after Tenant has notified Landlord of its election to terminate; except that this Lease shall terminate on the date of taking if the date of taking falls on a date before the date of termination as designated by Tenant. If Tenant does not terminate this Lease within the 30-day period, this Lease shall continue in full force and effect, except that the Base Rent thereafter to be paid shall be reduced on a pro-rata basis. Tenant shall notify Landlord in writing of any condemnation or threatened condemnation within ten (10) days after Tenant receives notice of said action or threatened action. No condemnation of any kind shall be construed to constitute an actual or constructive eviction of Tenant or a breach of any express or implied covenant of quiet enjoyment.

13.2. Award. In connection with any condemnation, Landlord shall be entitled to receive all compensation and anything of value awarded, paid, or received in settlement or otherwise ("**Award**") and Tenant hereby irrevocably assigns and transfers to Landlord all rights to and interests in the Award and fully waives, releases, and relinquishes any claim to, right to make a claim on, or interest in the Award, including any amount attributable to any excess of the market value of the Premises for the remainder of the Term over the present value as of the termination date of the Rent payable for the remainder of the Term (commonly referred to as the "**bonus value**" of the Lease).

14. DEFAULT.

14.1. Events of Default. The occurrence of any of the following events shall, at Landlord's option, constitute an "**Event of Default**:"

14.1.1 As to Tenant: (i) Tenant's failure to pay Rent within ten business days after receipt of a written notice of such failure from Landlord to Tenant; provided, however, that Tenant will have additional time if its failure to pay Rent is due to circumstances beyond its reasonable control, including, without limitation, failure of the Tenant's City Council to adopt a budget. In no event may such additional time exceed seventy five (75) days from receipt of a written notice; (ii) Tenant's failure to comply with any other material term or provision of this Lease if such failure is not remedied within thirty days after receipt of a written notice specifying the nature of the breach in reasonably sufficient detail; provided, however, if such default cannot reasonably be remedied within such thirty day period, then a default will not be deemed to occur until the occurrence of Tenant's failure to comply within the period of time that may be reasonably required to remedy the default, up to an aggregate of ninety days (90), provided Tenant commences curing such default within thirty (30) days and thereafter diligently proceeds to cure such default.

14.1.2 As to Landlord: (i) Landlord's failure to complete the Tenant Improvements in accordance with the Work; (ii) Landlord's failure to perform any other obligation under this lease if such failure is not remedied within thirty days after receipt of a written notice from Tenant to Landlord specifying the nature of the breach in reasonably sufficient detail; provided, however, if such breach cannot reasonably be remedied within such thirty day period, then a default will not be deemed to occur until the occurrence of Landlord's failure to perform within the period of time that may be reasonably required to remedy the breach, up to an aggregate of ninety days, provided Tenant commences curing such breach within thirty days and thereafter diligently proceeds to cure such breach.;

14.2. Remedies.

14.2.1 Termination. In the event of the occurrence of any Event of Default, Landlord shall have the right to give a written termination notice to Tenant and, on the date specified in such notice (which date shall be at least three (3) business days following the date of delivery of such notice), this Lease shall terminate unless on or before such date all arrears of Rent and all other sums payable by Tenant under this Lease and all costs and expenses incurred by or on behalf of Landlord hereunder shall have been paid by Tenant and all other Events of Default at the time existing shall have been fully remedied to the satisfaction of Landlord.

A. Repossession. Following termination, without prejudice to other remedies Landlord may have, Landlord may (i) peaceably re-enter the Premises upon voluntary surrender by Tenant or remove Tenant therefrom and any other persons occupying the Premises, using such legal proceedings as may be available; (ii) repossess the Premises or relet the Premises or any part thereof for such term (which may be for a term extending beyond the Term), at such rental and upon such other terms and conditions as Landlord in Landlord's sole discretion shall determine, with the right to make reasonable alterations and repairs to the Premises; and (iii) remove all personal property therefrom.

14.2.2 Tenant's Remedies. Upon the occurrence of a default by Landlord, Tenant may (i) terminate this Lease by giving thirty (30) days written notice to Landlord and quit the Premises without further cost or obligation to Tenant or (ii) proceed to repair or correct the failure and, at Tenant's option, either deduct the cost thereof from Rent due to Landlord, or

invoice Landlord for the cost of repair, which invoice Landlord shall pay in full promptly upon receipt

14.3. Cumulative. Each right and remedy of Landlord or Tenant provided for herein or now or hereafter existing at Law or in equity, by statute or otherwise shall be cumulative and shall not preclude Landlord from exercising any other rights or remedies provided for in this Lease or now or hereafter existing at Law or in equity, by statute or otherwise. No payment by Tenant of a lesser amount than the Rent nor any endorsement on any check or letter accompanying any check or payment of Rent shall be deemed an accord and satisfaction of full payment of Rent; and Landlord may accept such payment without prejudice to Landlord's right to recover the balance of such Rent or to pursue other remedies.

15. ASSIGNMENT AND SUBLETTING.

15.1. Landlord's Consent. Tenant shall not assign, sublet or otherwise transfer, whether voluntarily or involuntarily or by operation of Law, this Lease, the Premises or any part thereof, without Landlord's prior written approval, which approval Landlord shall not unreasonably withhold. Upon the assignment of the Lease by Tenant, the Tenant will have no further obligation under the Lease.

16. ESTOPPEL, ATTORNMENT AND SUBORDINATION.

16.1. Estoppel. Within thirty (30) days after request by Landlord, Tenant shall deliver an estoppel certificate duly executed and acknowledged to any proposed mortgagee, beneficiary, purchaser, or Landlord, in a commercially reasonable form substantially similar to that requested and a statement certifying, without limitation: (i) the date of commencement of this Lease; (ii) the fact that this Lease is unmodified and in full force and effect (or, if there have been modifications hereto, that this Lease is in full force and effect, as modified, and stating the date and nature of such modifications); (iii) the date to which the rental and other sums payable under this Lease have been paid; (iv) the fact that there are no current defaults under this Lease by either Landlord or Tenant except as specified in Tenant's statement; and (v) no deposit of any nature has been made in connection with the Lease (other than deposits the nature and amount of which are expressly described in the Lease). Landlord and Tenant intend that any statement delivered pursuant to this Section 16 may be relied upon by any mortgagee, beneficiary, purchaser or prospective purchaser of the Premises, the Property or any interest therein. Tenant's failure to deliver such statement within such time shall be conclusive upon Tenant that (i) this Lease is in full force and effect, without modification except as may be represented by Landlord; (ii) there are no uncured defaults in Landlord's performance, (iii) not more than one (1) month's rental has been paid in advance; and (iv) no deposit of any nature has been made in connection with the Lease except as represented by Landlord. Except to the extent caused by Landlord's sole or active negligence or willful misconduct, Tenant shall indemnify and hold Landlord harmless from and against any and all damages, penalties, fines, taxes, costs, liabilities, losses and expenses (including, without limitation, reasonable attorneys' fees and court costs) which Landlord may sustain or incur as a result of or in connection with Tenant's failure or delay in delivering such estoppel certificate. If any financier should require that

this Lease be amended (other than in the description of the Premises, the Term, the permitted uses, the Rent or as will substantially, materially and adversely affect the rights of Tenant), Landlord shall give written notice thereof to Tenant, which notice shall be accompanied by a Lease supplement embodying such amendments. Tenant shall, within thirty (30) days after the receipt of Landlord's notice, execute and deliver to Landlord the tendered Lease supplement.

16.2. Subordination. This Lease shall be subject and subordinate to all ground leases, CC&Rs, and the lien of all mortgages and deeds of trust which now or hereafter affect the Premises or the Property or Landlord's interest therein, and all amendments thereto, all without the necessity of Tenant's executing further instruments to affect such subordination; provided, however, that Tenant's rights hereunder shall not be disturbed, except in accordance with the terms and provisions of this Lease. If at any time Landlord has a mortgage, loan, or other security instrument that is secured by a lien of a mortgage or deed of trust encumbering the Building, Landlord shall cause the lender(s) holding such lien to execute and deliver to Tenant a subordination, recognition and non-disturbance agreement in recordable form and in a form that is in substantial conformity with **Exhibit B** attached hereto. If requested, Tenant shall execute and deliver to Landlord within thirty (30) days after Landlord's request, whatever documentation that may reasonably be required to further effect the provisions of this Section 16.2.

16.3. Attornment. In the event of a foreclosure proceeding, the exercise of the power of sale under any mortgage or deed of trust or the termination of a ground lease, Tenant shall, if requested, attorn to the purchaser thereupon and recognize such purchaser as Landlord under this Lease. The transferee shall not be liable for any acts, omissions or defaults of Landlord that occurred before the sale or conveyance, or the return of any security deposit except for deposits actually paid to transferee, and except as reduced as expressly provided for in Section 3.3 of this Lease or by operation of Law.

17. **PARKING.** The Landlord shall provide three (3) parking spaces to Tenant for a monthly fee of zero Dollars (\$0.00) per month during the Initial Term and any Renewal Periods.

18. **MISCELLANEOUS.**

18.1. General.

18.1.1 Entire Agreement. This Lease sets forth all the agreements between Landlord and Tenant concerning the Property and the Premises, and there are no agreements either oral or written other than as set forth herein.

18.1.2 Time of Essence. Time is of the essence of this Lease.

18.1.3 Attorneys' Fees. If any action is commenced which arises out of or related to this Lease, the prevailing party shall be entitled to recover from the other party such sums as the court may adjudge to be reasonable attorneys' fees, expert fees, and expenses in the action, in addition to costs and expenses otherwise allowed by Law. In all other situations, including any matter arising out of or relating to any bankruptcy or other voluntary or

involuntary proceeding, in or out of court, for the adjustment of debtor-creditor relationships, Tenant agrees to pay all of Landlord's costs and expenses, including attorneys' fees and expert fees, which may be incurred in enforcing or protecting Landlord's rights or interests.

18.1.4 Severability. If any provision of this Lease or the application of any such provision shall be held by a court of competent jurisdiction to be invalid, void or unenforceable to any extent, the remaining provisions of this Lease and the application thereof shall remain in full force and effect and shall not be affected, impaired or invalidated.

18.1.5 Law. This Lease shall be construed and enforced in accordance with the Laws of the State of California, without reference to its choice of law provisions.

18.1.6 Interpretation. The titles to the sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part of this Lease. As used in this Lease, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others where and when the context so dictates. The word "including" shall be construed as if followed by the words "without limitation." This Lease shall be interpreted as though prepared jointly by both parties.

18.1.7 No Option. Submission of this Lease to Tenant for examination or negotiation does not constitute an option to lease, offer to lease or a reservation of, or option for, the Premises; and this Lease shall become effective and binding only upon the execution and delivery hereof by Landlord and Tenant.

18.1.8 Successors and Assigns. This Lease shall be binding upon and inure to the benefit of the successors and assigns of Landlord and, subject to compliance with the terms of Section 15, Tenant.

18.1.9 Third Party Beneficiaries. Nothing herein is intended to create any third-party benefit.

18.1.10 No Agency, Partnership or Joint Venture. Nothing contained herein nor any acts of the parties hereto shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture by the parties hereto or any relationship other than the relationship of landlord and tenant.

18.1.11 Merger. The voluntary or other surrender of this Lease by Tenant or a mutual cancellation thereof or a termination by Landlord shall not work a merger and shall, at the option of Landlord, terminate all or any existing subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies.

18.1.12 Fixtures and Signs. Tenant may (i) make any lawful and proper minor alterations to the Premises; (ii) attach fixtures and interior signs in and on the Premises; and attach signage on the exterior of Building ("**Tenant Fixtures**"). Any Tenant Fixtures will remain the property of Tenant and may be removed from the Premises by Tenant at any time during the Term. All alterations and Tenant Fixtures are subject to Landlord's approval, which shall not be unreasonably withheld, and must comply with existing code requirements. All Tenant Fixtures

shall be at Tenant's sole cost and expense. Installations and removals of Tenant Fixtures shall be made in such manner as to avoid injury or defacement of the Premises, and Tenant shall repair any injury or defacement, including discoloration caused by such installation or removal. Tenant shall be responsible for all fees, costs and expenses associated with installation and removal of Tenant Fixtures. In the event any such fees, costs or expenses are incurred by Landlord (whether directly or indirectly), Landlord shall deliver to Tenant an invoice, with reasonable supporting documentation, and Tenant shall reimburse Landlord for those amounts within thirty (30) days after receipt of such invoice.

18.1.13 Prior Possession. Prior to the Commencement Date, Tenant has the right to (i) install fixtures, telephone outlets and cabling, telephones, security systems, furniture, and other items in the Premises, and (ii) store supplies and equipment in the Premises, provided such work and storage can be affected without unduly interfering with Landlord's completion of the Tenant Improvements.

18.2. Waiver. No waiver of any default or breach hereunder shall be implied from any omission to take action on account thereof, notwithstanding any custom and practice or course of dealing. No waiver by either party of any provision under this Lease shall be effective unless in writing and signed by such party. No waiver shall affect any default other than the default specified in the waiver and then such waiver shall be operative only for the time and to the extent therein stated. Waivers of any covenant shall not be construed as a waiver of any subsequent breach of the same.

18.3. Limitation of Liability. Whenever Landlord transfers its interest, Landlord shall be automatically released from further performance under this Lease and from all further liabilities and expenses hereunder and the transferee of Landlord's interest shall assume all liabilities and obligations of Landlord hereunder from the date of such transfer.

18.4. Notices. All notices to be given hereunder shall be in writing and mailed postage prepaid by certified or registered mail, return receipt requested, or delivered by personal or courier delivery, or sent by facsimile (immediately followed by one of the preceding methods), to Landlord's address and Tenant's address set forth in Sections 1 and 2 of the Basic Lease Information, or to such other place as Landlord or Tenant may designate in a written notice given to the other party. Notices shall be deemed served upon the earlier of receipt or three (3) days after the date of mailing.

18.5. Brokerage Commission. Tenant represents that they have not been represented by any broker in connection with this Lease. Landlord has been represented by SG Real Estate in connection with this Lease, and that a real estate broker's commission "**Commission**") is due or payable under a separate agreement with Landlord.

18.6. Authorization. Each individual or entity executing this Lease on behalf of Tenant represents and warrants that he or she or it is duly authorized to execute and deliver this Lease on behalf of Tenant and that such execution is binding upon Tenant.

18.7. Holding Over. If, with Landlord's express written consent, Tenant holds over the Premises or any part thereof after expiration or earlier termination of the Term, such holding over shall constitute a month-to-month tenancy on all the other terms and conditions of this Lease, except that Base Rent shall be equal to the Rent payable under this Lease for the last full month before the date of expiration or termination. This section shall not be construed as Landlord's permission for Tenant to hold over. Acceptance of Rent by Landlord following expiration or termination shall not constitute a renewal of this Lease or extension of the Initial Term or any Renewal Term, as the case may be, except as specifically set forth above. If Tenant remains in possession of the Premises after expiration or other termination of this Lease without Landlord's express written consent, Tenant's continued possession shall be on the basis of a tenancy at sufferance and Tenant shall pay as Base Rent during the holdover period an amount equal to 95% of Fair Market Rent. If Tenant fails to surrender the Premises upon expiration or other termination of this Lease, Tenant shall indemnify and hold Landlord harmless from and against all loss or liability resulting from or arising out of Tenant's failure to surrender the Premises, including, but not limited to, any amounts required to be paid to any tenant or prospective tenant who was to have occupied the Premises after the expiration or other termination of this Lease and any related attorneys' fees and brokerage commissions.

18.8. Surrender. Upon the expiration or other termination of this Lease or Tenant's right to possession of the Premises, Tenant shall peaceably and quietly leave and surrender to Landlord the Premises, along with appurtenances and fixtures at the Premises (except Tenant Fixtures), all in good condition, ordinary wear and tear, damage by casualty, condemnation, acts of God, and Landlord's failure to make repairs required of Landlord excepted. Tenant is not responsible for painting or for repairing or replacing any floor coverings in the Premises upon the expiration or earlier termination of this lease

18.9. Joint and Several. If Tenant consists of more than one person, the obligation of all such persons shall be joint and several.

18.10. Covenants and Conditions. Each provision to be performed by Tenant or Landlord hereunder shall be deemed to be both a covenant and a condition.

18.11. Force Majeure. For purposes of this Lease, the term "**Force Majeure**" shall mean and include the following: any delay caused by any action, inaction, order, ruling, moratorium, regulation, statute, condition or other decision of any governmental agency having jurisdiction over any portion of the Property, over any construction anticipated to occur thereon or over any uses thereof, or by fire, flood, inclement weather, energy shortage, strikes, lockouts or other labor or industrial disturbance, civil disturbance, order of any government, court or regulatory body claiming jurisdiction or otherwise, governmental preemption or curtailment in connection with a national emergency or in connection with any rule, order, guideline or regulation of any department or governmental agency, or by reason of the conditions of supply and demand which have been or are affected by a war or other emergency, acts of terrorism, act of public enemy, war, riot, sabotage, blockade, embargo, failure or inability to secure an adequate supply of water, electricity, fuel, materials, supplies or labor through ordinary sources by reason of shortages

or priority, discovery of Hazardous Materials (as defined in paragraph 11.1), earthquake, or other natural disaster, or any cause whatsoever beyond the reasonable control (excluding financial inability) of the party whose performance is required, or any of its contractors or other representatives.

18.12. Accessibility; Disability Laws. The Premises have not undergone an inspection by a Certified Access Specialist.

"A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or Landlord may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises. "

Since compliance with the ADA and other federal and state disability laws (collectively, "**Disability Laws**") is dependent upon Tenant's specific use of the Premises, Landlord makes no warranty or representation as to whether or not the Premises comply with Disability Laws. In the event that Tenant's use of the Premises requires modifications or additions to the Premises in order to be in compliance with Disability Laws, Landlord agrees to make any such necessary modifications and/or additions at Landlord's sole cost and expense.

18.13. OFAC Compliance. Tenant represents and warrants to Landlord that Tenant is not a party with whom Landlord is prohibited from doing business pursuant to the regulations of the Office of Foreign Assets Control ("**OFAC**") of the U.S. Department of the Treasury, including those parties named on OFAC's Specially Designated Nationals and Blocked Persons List. Tenant is currently in compliance with, and shall at all times during the term of this Lease remain in compliance with, the regulations of OFAC and any other governmental requirement relating thereto. In the event of any violation of this section, Landlord shall be entitled to immediately terminate this Lease and take such other actions as are permitted or required to be taken under law or in equity. TENANT SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS LANDLORD FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LOSSES, RISKS, LIABILITIES AND EXPENSES (INCLUDING ATTORNEYS' FEES AND COSTS) INCURRED BY LANDLORD ARISING FROM OR RELATED TO ANY BREACH OF THE FOREGOING CERTIFICATIONS. These indemnity obligations shall survive the expiration or earlier termination of this Lease.

19. ADDENDUM.

19.1. Attached hereto is an addendum constitutes a part of this Lease.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Lease as of the Effective Date.

TENANT:

CITY OF BERKELEY, a California municipal corporation

By: _____

Print Name: _____

Its: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

**APPROVED AS TO INSURANCE
REQUIREMENTS:**

City Risk Manager

--AND--

LANDLORD:

THE SHAMSZAD FAMILY LIVING TRUST

By: Sasha Shamszad

Print Name: _____

Its: Sasha Shamszad

DocuSigned by:

Sasha Shamszad

B29F772F3AF544A...

By: _____

Print Name: _____

Its: _____

EXHIBIT A-2

Depiction of Premises

BUILDING INFORMATION:

PROJECT ADDRESS: 1900 ADDISON STREET
BERKELEY, CA 94704 3RD FLR.

OCCUPANCY GROUP: B, BUSINESS
CONSTRUCTION TYPE: TYPE VB
ZONE DISTRICT: C-DMU BUFFER
NO. OF STORIES: 3 STORIES (EXISTING) 15,254SF

PROJECT DESCRIPTION: 3RD FLR. TENANT
IMPROVEMENT INTERIOR
OFFICE PARTITION WALLS
ADDITIONS / MODIFICATIONS

VICINITY MAP:

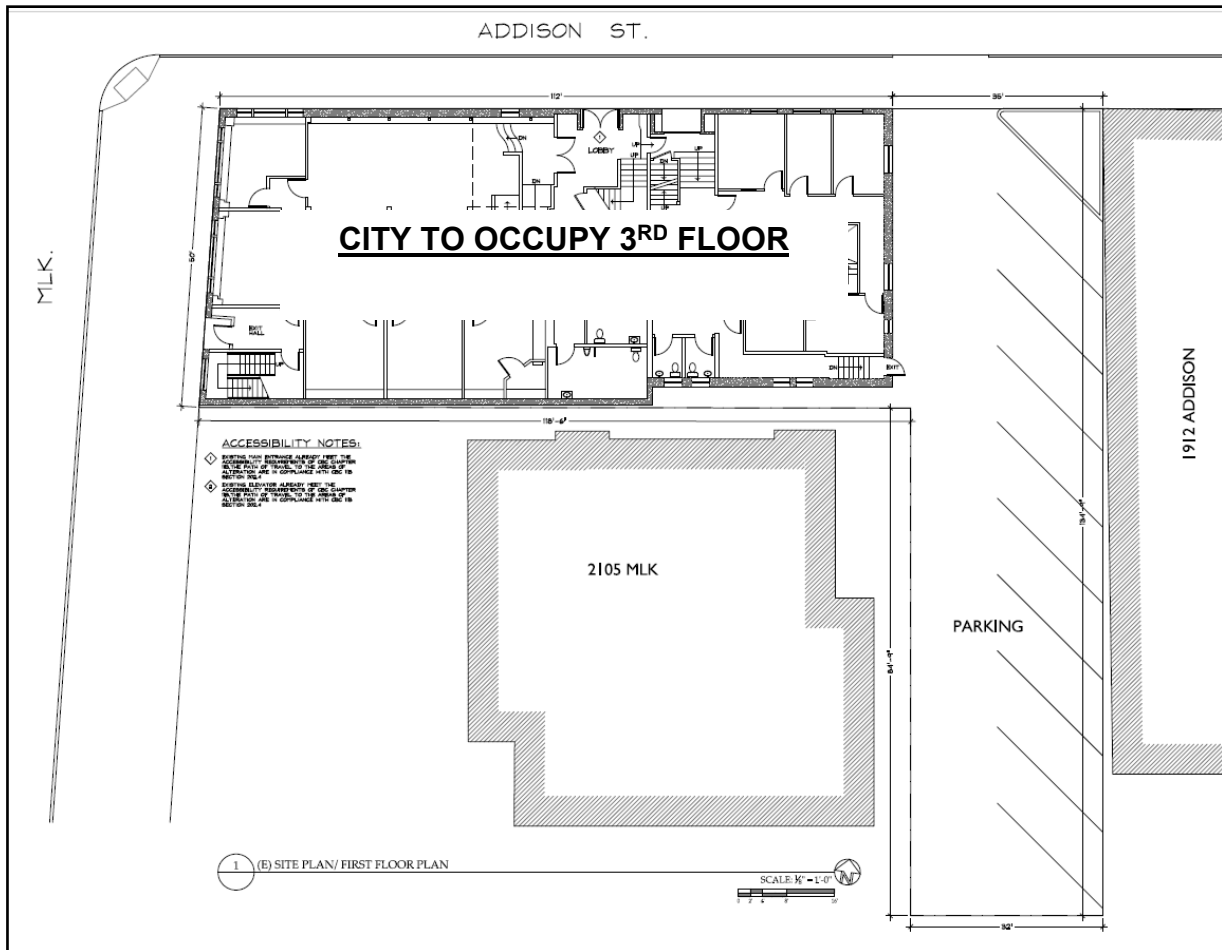
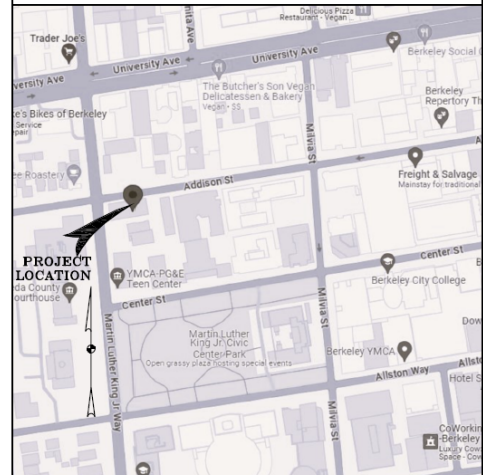


EXHIBIT B

Recorded at the request of:
City of Berkeley

Return to:
City of Berkeley
Department of Public Works,
2180 Milvia Street, Third Floor
Berkeley, CA 94704
Assessor's Parcel No. 377-150-013

Subordination, Non-Disturbance and Attornment Agreement

This agreement is dated _____, 2024, and is between the City of Berkeley, a Charter City organized and existing under the laws of the State of California (the "Lessee"), _____, a _____, its successors and assigns (the "Lender"), having its principal place of business at _____.

Recitals

- A. Pursuant to a lease dated _____, 2024 (the "**Lease**") between the Lessee and The Shamszad Family Living Trust (the "Lessor"), Lessor is leasing to the Lessee certain space in the building located at 1900 Addison Street, Berkeley, CA, more fully described in Exhibit C attached hereto and made a part hereof (the "Property").
- B. Lender has previously made a loan (the "**Loan**") to Lessee that is secured, in part, by the lien of a mortgage or deed of trust executed and delivered by Lessee to Lender encumbering the Property (the "**Mortgage**") and an assignment of all leases of and rents from the Property
- C. This agreement is being executed by the parties in accordance with the requirements of Section 9 of the Lease.

NOW, THEREFORE, in consideration of the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

- 1. Lessor hereby represents, acknowledges and agrees as follows:
 - (a) The term of the Lease commences on _____ and will terminate on _____.

- (c) The current monthly rent payment under the Lease is set forth in Section A.3 of the Lease. No advance rents have been prepaid.
- (d) In addition to monthly rent payments, the Lessor is responsible for a portion of the cost of improvements to the Premises.
- (e) The improvements described in the Lease have not been completed or accepted by Lessor.
- (f) Lessor has not sublet any portion of the leased premises or assigned any of its rights under the Lease.
- (g) Upon its execution, the Lease will be in full force and effect.
- (h) All rent payments will be paid as provided under the Lease until Lessor has been otherwise notified by Lender or its successors and assigns.
- (i) If Lender provides Lessor with Lender's address for notification purposes, Lessor will deliver to Lender a copy of all notices Lessor delivers to or receives from Lessee.
- (j) Lessor will not look to Lender or its successors or assigns for the return of the security deposit, if any, under the Lease, except to the extent that such funds are delivered to Lender.

2. If Lender elects to foreclose the Mortgage, Lender will not join Lessor in summary or foreclosure proceedings unless required by applicable law (and then only to the extent so required) as long as Lessor has not amended the Lease without Lender's prior written consent and is not in default under the Lease.

3. In the event that Lender succeeds to the interest of Lessee under the Lease and there exists no default by Lessor under the Lease and Lessor has not amended the Lease without Lender's prior written consent, Lender agrees not to disturb or otherwise interfere with Lessee's possession of the leased premises for the unexpired term of the Lease, provided that Lender is not:

- (a) Liable for any act or omission of Lessor or any prior Lessor under Lease;
- (b) Subject to any offsets or defenses that Lessor might have against Lessee or any prior lessor
- (c) Bound by any rent or additional rent that Lessee might have paid for more than the current month to Lessor;
- (d) Bound by any amendment or modification of the Lease made without Lender's prior written consent; or

- (e) Liable for any security deposit Lessee might have paid to Lessor, except to the extent Lender has actually received said security deposit.

4. Upon Lender's succeeding to Lessor's interest under the Lease, Lessee covenants and agrees to attorn to Lender or a purchaser at a foreclosure or trustee's sale, to recognize such successor landlord as Lessor's landlord under the Lease, and to be bound by and perform all of the obligations and conditions imposed on Lessor by the Lease. If requested by Lender or any subsequent owner, Lessee shall execute a new lease with Lender, for a term equal to the remaining term of the Lease and otherwise containing the same provisions and covenants of the Lease.

5. Prior to terminating the Lease due to a default by Lessee thereunder, Lessor agrees to notify Lender of such default and give Lender the opportunity to cure such default within thirty (30) days of Lender's receipt of such notice (or, if such default cannot reasonably be cured within such thirty (30) day period, Lender will have such longer time as may be necessary to cure the default provided that Lender commences the cure within such period and diligently pursues the cure thereafter).

6. This agreement binds and inures to the benefit of the respective heirs, personal representatives, successors and assigns of the parties hereto.

7. This agreement may be modified only in a writing duly executed by both parties.

The parties are signing this agreement as of the date set forth in the introductory clause.

LESSEE

CITY OF BERKELEY, a
Charter City organized and existing
under the laws of the State of California

By _____

Public Works Director

LENDER

Name of Lender, a

By _____

Name
Title

By _____

Name
Title

[Attach Notary Forms]

ADDENDUM TO LEASE

(City of Berkeley Standard Contract Provisions)

This Addendum is attached to and made part of that certain Lease dated _____, 2024, between The Shamszad Family Living Trust ("Lessor" or "**Landlord**"), and City of Berkeley ("**Lessee**" or "**City**"), a Charter City organized and existing under the laws of the State of California, as Tenant. Capitalized terms not otherwise defined in this Addendum shall have the meaning given them in the Lease. The provisions of this Addendum shall prevail over any inconsistent or conflicting provisions of the Lease.

1. **Business License.** Landlord certifies that it has obtained or applied for a City of Berkeley business license number as required by Berkeley Municipal Code Chapter 9.04; or Landlord claims that it is exempt from the provisions of B.M.C. Ch. 9.04 and has written below the specific B.M.C. section under which it is exempt.
2. **Non-Discrimination Against Persons with Disabilities.**
 - a. If Landlord provides any aid, service or benefit to others on the City's behalf, Landlord shall, in the provision of such aid, service or benefit, observe and comply with all applicable provisions of Title II of the Americans with Disabilities Act of 1990 and any amendments thereto. Landlord shall further observe and comply with all applicable federal, state, municipal and local laws, Ordinances, codes and regulations prohibiting discrimination against individuals with disabilities or ensuring that individuals with disabilities are not excluded from participating in or receiving benefits, services or activities of the City.
 - b. If Landlord is or becomes a "public accommodation" as defined in Title III of the Americans with Disabilities Act of 1990, Lessor shall observe and comply with all applicable provisions of the Act and any amendments thereto, and all applicable federal, state, municipal and local laws, Ordinances, codes and regulations prohibiting discrimination on the basis of disability in the full and equal enjoyment of goods, services, facilities, privileges, advantages, or accommodations offered by the Landlord. All Landlord's activities must be in accordance with these laws, Ordinances, codes, and regulations, and Landlord shall be solely responsible for complying therewith.
3. **City Non-Discrimination Ordinance.** Landlord agrees to comply with the provisions of Berkeley Municipal Code Chapter 13.26 as amended from time to time. In the performance of this lease, the Lessor agrees as follows:
 - a. Landlord shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, national origin, age (over 40), sex, pregnancy, marital status, disability, sexual orientation or AIDS.

- b. Landlord shall permit the City access to records of employment advertisements, application forms, EEO-1 forms, affirmative action plans and any other documents which, in the opinion of the Lessee, are necessary to monitor compliance with this non-discrimination provision, and will, in addition, fill-out in a timely fashion, forms supplied by the City to monitor these non-discrimination provisions.
- 4. Nuclear Free Berkeley. Landlord agrees to comply with Berkeley Municipal Code Chapter 12.90, the Nuclear Free Berkeley Act, as amended from time to time.
- 5. Oppressive States.
 - a. In accordance with Resolution No. 59,853-N.S., Landlord certifies that it has no contractual relations with, and agrees during the term of this Lease to forego contractual relations to provide personal services to or to purchase, sell, lease or distribute commodities in the conduct of business with, the following entities:
 - i. The governing regime in any Oppressive State.
 - ii. Any business or corporation organized under the authority of the governing regime of any Oppressive State.
 - iii. Any individual, firm, partnership, corporation, association, or any other commercial organization, and including parent-entities and wholly-owned subsidiaries (to the extent that their operations are related to the purpose of its contract with the City), for the express purpose of assisting in business operations or trading with any public or private entity located in any Oppressive State.
 - b. For purposes of this lease, the Tibet Autonomous Region and the provinces of Abo, Kham, and U-Tsang shall be deemed oppressive states.
 - c. Landlord's failure to comply with this section shall constitute a default of this lease and Lessee may terminate this lease pursuant to Section 14 of the Lease. In the event that the City terminates this lease due to a default under this provision, City may deem Lessor a non-responsible bidder for five (5) years from the date this lease is terminated.
- 6. Berkeley Living Wage Ordinance.
 - a. Landlord agrees to comply with Berkeley Municipal Code Chapter 13.27, the Berkeley Living Wage Ordinance. If Landlord employs six (6) or more part-time, full-time or stipend employees, and generates \$350,000 or more in annual gross receipts, Landlord will be required to provide all eligible employees with Landlord mandated minimum compensation during the term of this Lease, as defined in B.M.C. Chapter 13.27, and well as comply with the terms enumerated herein.

- b. Landlord shall be required to maintain all reasonable records and documents that would establish whether Landlord is subject to the City's Living Wage Ordinance ("LWO"). If Landlord is subject to the LWO, as defined therein, Lessor shall be further required to maintain monthly records of those employees located on the leased Premises. These records shall include the total number of hours worked, the number of hours spent providing service on the leased property, the hourly rate paid, and the amount paid by Landlord for health benefits, if any, for each of its employees providing services under the Lease. The records described in this Section shall be made available upon the City's request. The failure to produce these records upon demand shall be considered a default, subject to the provisions contained in Section 14 of the Lease.
- c. If Landlord is subject to the LWO, Landlord shall include the requirements of the Ordinance, as defined in B.M.C. Chapter 13.27, in any and all subleases in which Landlord enters with regard to the subject Premises. Sublessors shall be required to comply with this Ordinance with regard to any employees who spend 25% or more of their compensated time on the leased property.
- d. If Landlord fails to comply with the requirements of this the LWO and this Lease, the City shall have the rights and remedies described in this Section, in addition to any rights and remedies provided by law or equity.
- e. Landlord's failure to comply with this Section shall constitute default of the Lease, upon which the City may terminate this Lease pursuant to Section 14.
- f. In addition to any other remedies available by law or under the Lease, at the City's sole discretion, Landlord may be responsible for liquidated damages in the amount of \$50 per employee per day for each and every instance of an underpayment to an employee. It is mutually understood and agreed that Lessor's failure to pay any of its eligible employees at least the applicable living wage rate will result in damages being sustained by the City; that the nature and amount of the damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein is the nearest and most exact measure of damage for such breach that can be fixed at this time; and that the liquidated damage amount is not intended as a penalty of forfeiture for Landlord's breach.

7. Berkeley Equal Benefits Ordinance.

- a. Landlord hereby agrees to comply with the provisions of the Berkeley Equal Benefits Ordinance, B.M.C. Chapter 13.29. If Landlord is currently subject to the Berkeley Equal Benefits Ordinance, Lessor will be required to provide all eligible employees with Lessee mandated equal benefits during the term of this lease, as defined in B.M.C. Chapter 13.29, as well as comply with the terms enumerated herein.
- b. If Landlord is currently or becomes subject to the Berkeley Equal Benefits Ordinance, Lessor agrees to supply the City with any records the Lessee deems

necessary to determine compliance with this provision. Failure to do so shall be a considered a default, subject to the provisions of Section 14 of the Lease.

- c. If Landlord fails to comply with the requirements of this Section, Landlord shall have the rights and remedies described in this Section, in addition to any rights and remedies provided by law or equity.
 - d. Landlord's failure to comply with this Section shall constitute default of the Lease, upon which Lessee may terminate this lease pursuant to Section 14.
 - e. In addition to any other remedies available by law or under the Lease, at the City's sole discretion, Landlord may be responsible for liquidated damages in the amount of \$50.00 per employee per day for each and every instance of violation of this Section. It is mutually understood and agreed that Landlord's failure to provide its employees with equal benefits will result in damages being sustained by Lessee; that the nature and amount of these damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein is the nearest and most exact measure of damages for such breach that can be fixed at this time; and that the liquidated damage amount is not intended as a penalty or forfeiture for Landlord's breach.
8. Sanctuary City Contracting Ordinance. Landlord hereby agrees to comply with the provisions of the Sanctuary City Contracting Ordinance, B.M.C. Chapter 13.105. In accordance with this Chapter, Landlord agrees not to provide the U.S. Immigration and Customs Enforcement Division of the United States Department of Homeland Security with any Data Broker or Extreme Vetting Services as defined herein:
- a. "Data Broker" means either of the following:
 - i. The collection of information, including personal information about consumers, from a wide variety of sources for the purposes of reselling such information to their customers, which include both private-sector business and government agencies;
 - ii. The aggregation of data that was collected for another purpose from that for which it is ultimately used.
 - b. "Extreme Vetting" means data mining, threat modeling, predictive risk analysis, or other similar services. Extreme Vetting does not include:

The Lessee's computer-network health and performance tools;
Cybersecurity capabilities, technologies and systems used by the City of Berkeley Department of Information Technology to predict, monitor for, prevent, and protect technology infrastructure and systems owned and operated by the City of Berkeley from potential cybersecurity events and cyber-forensic based investigations and prosecutions of illegal computer-based activity.

9. Pesticides. All use of pesticides on the Premises shall be in compliance with the City's Pesticide Use Policy as it exists at the time of such use.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Lease as of the Effective Date.

TENANT:

CITY OF BERKELEY, a California municipal
corporation

By: _____
Print Name: _____
Its: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

**APPROVED AS TO INSURANCE
REQUIREMENTS:**

City Risk Manager

--AND--

LANDLORD:

THE SHAMSZAD FAMILY LIVING TRUST

By: Sasha Shamszad

Print Name: _____

Its: sasha Shamszad

DocuSigned by:

Sasha Shamszad

B29F772F3AF544A...

By: _____
Print Name: _____
Its: _____

Exhibit B: Floor Plans

