

ORDINANCE NO. 7,944-N.S.

LEASE AMENDMENT: DOROTHY DAY HOUSE DBA DOROTHY’S CLOSET AT 2425A CHANNING WAY IN THE TELEGRAPH-CHANNING MALL AND GARAGE

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

Section 1. Findings:

The City owns the Telegraph-Channing Mall and Garage, and Dorothy Day House, a 501c3 nonprofit organization, d.b.a Dorothy’s Closet seeks to lease 2425a Channing Way at the premises for the purpose of operating a retail business offering used clothing and gear for sale. This Lease Amendment only modifies Exhibit C to Lease, *Payment* as follows:

- a. Monthly rate per square foot is reduced from \$2.26 to \$1.95; and
- b. Annual increase is reduced from 3% to 0% for the initial term of the lease.

Section 2. AUTHORIZATION FOR CITY MANAGER TO ENTER INTO LEASE AMENDMENT AT 2425A CHANNING WAY, BERKELEY, CA.

The City Manager is hereby authorized to enter into a five-year amended lease agreement with the option for a five-year extension with Dorothy Day House d.b.a Dorothy’s Closet, a ground floor retail space in the City of Berkeley Telegraph-Channing Mall and Garage. 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 December 3, 2024, this Ordinance was passed to print and ordered published by posting by the following vote:

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

Noes: None.

Absent: None.

LEASE AMENDMENT FOR TELEGRAPH-CHANNING MALL

This lease amendment (“**Amendment**”) is made on _____ between the CITY OF BERKELEY ("**Landlord**"), a Charter City organized and existing under the laws of the State of California and Dorothy Day House d.b.a Dorothy’s Closet ("**Tenant**"), a 501c3 nonprofit organization, who agree as follows:

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

A. Landlord is the owner of the real property at 2425a Channing Way, Berkeley, California, ("**premises**") commonly referred to as Telegraph-Channing Mall and Garage as further described in Exhibit A, attached to and made a part of this lease.

B. Tenant entered into a lease (“**Lease**”) with Landlord on July 29, 2024 with a retroactive start date of May 1, 2023. Tenant is occupying and conducting business at 2425a Channing Way located on the ground floor of the premises and identified in Exhibit A, attached to and made part of this lease.

C. Landlord has negotiated with Tenant to reduce the starting per square foot rental rate from \$2.26 per square foot to \$1.95 per square foot for the 1,400 square foot space and eliminate the annual 3% increase for the duration of the initial term of the lease. This effectively sets monthly rent at \$2,730 per month for the initial five-year term of the lease.

D. Landlord and Tenant agree that the impact of changes made to Exhibit C to the lease will reduce the anticipated revenue/rent from \$139,860 to \$114,660 a difference of \$25,260 for the initial five (5) year term.

1. Exhibit C. **PAYMENTS**, is deleted in its entirety and replaced by Exhibit C. **PAYMENTS (REVISED)**, attached to and made part of this lease.

Effect: Except for the amendment agreed to herein, the Lease effective as of July 29, 2024 remains in full force and effect.

IN WITNESS WHEREOF, Landlord and Tenant have executed this lease amendment as of the date written on the first paragraph of this lease.

LANDLORD
CITY OF BERKELEY

By: _____
City Manager

THIS LEASE HAS BEEN
APPROVED AS TO FORM
BY THE CITY ATTORNEY
OF THE CITY OF BERKELEY

6/2004

REGISTERED BY:

City Auditor

ATTEST:

Deputy City Clerk

TENANT:

DOROTHY DAY HOUSE D.B.A DOROTHY'S CLOSET
A 501c3 NONPROFIT ORGANIZATION

Signature: _____
By: Robbi Montoya, Executive Director

City of Berkeley Business License No. BL-000275

Exhibit C
PAYMENT (REVISED)

RENT PAYMENT SCHEDULE: Dorothy's Closet 2425A Channing @TCM						
	YEAR	1	2	3	4	5
MAY	1	\$ -	\$ -	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00
JUNE	2	\$ -	\$ -	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00
JULY	3	\$ -	\$ -	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00
AUGUST	4	\$ -	\$ -	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00
SEPTEMBER	5	\$ -	\$ -	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00
OCTOBER	6	\$ -	\$ -	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00
NOVEMBER	7	\$ -	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00
DECEMBER	8	\$ -	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00
JANUARY	9	\$ -	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00
FEBRUARY	10	\$ -	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00
MARCH	11	\$ -	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00
APRIL	12	\$ -	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00
ANNUAL TOTAL:		\$ -	\$ 16,380.00	\$ 32,760.00	\$ 32,760.00	\$ 32,760.00
INITIAL TERM TOTAL:						\$ 114,660.00

PREMISES AREA (SQFT):	1400
MONTHLY RATE PER SQFT:	\$ 1.95
INITIAL MONTHLY RENT:	\$ 2,730.00
LEASE START DATE:	May 1, 2023
INITIAL TERM:	60 MONTHS
INITIAL TERM TERMINATION DATE:	April 30, 2028
NOTIFY LANDLORD FOR OPTION BY:	November 1, 2027
OPTION START DATE:	May 1, 2028
OPTION TERM:	60 MONTHS
OPTION TERMINATION DATE:	April 30, 2033