



# STAFF REPORT

## SAUSALITO CITY COUNCIL

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### AGENDA TITLE:

Adoption of a Resolution approving the Second Amendment to Lease Agreement by and between the City of Sausalito and Pippa Murray – MLK

### RECOMMENDED MOTION:

Adopt a Resolution of the City Council of the City of Sausalito approving the Second Amendment to the Lease Agreement by and between the City of Sausalito and Pippa Murray

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### BACKGROUND

The City and Pippa Murray (the "Tenant") entered into a Lease of Premises dated as of September 15, 2004. The Lease provides for Tenant's lease of Suite 230 in Building 2 at the MLK site - 100 Ebbtide, Sausalito, California (the "Existing Premises"). Tenant has exercised her option to extend the Term of the Lease for the Existing Premises to September 14, 2008.

The City and the Tenant entered into a First Amendment to Lease of Premises dated effective as of October 18, 2006 (the "First Amendment"). Pursuant to the First Amendment the Tenant leases Suite 144 in Building 1 from the City on a month to month basis.

Tenant desires termination of her lease of Suite 144 and to move to a different space in Building 1 - Suite 138B to be used for storage purposes. Storage is one of the "cottage industries" as defined in the City's Zoning Code and thus a permissible use at the MLK site.

The proposed Second Amendment to the Lease provides for Tenant's lease of Suite 138B on a month to month basis. As with the existing lease of Suite 230 the lease will automatically terminate on September 14, 2008 unless extended by mutual agreement of the parties. The monthly lease rate for Suite 138B is \$630.00 or \$1.25 per square foot for the 504 square foot space.

The OMIT Committee has reviewed and approved the terms of the proposed Second Amendment.

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## FISCAL IMPACT

The proposed Second Amendment to the Lease terminates Tenant's lease of Suite 144 which had a monthly rental rate of \$1,625 and provides for the lease of Suite 138B at a monthly rental rate of \$630.00.

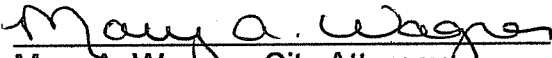
## STAFF RECOMMENDATIONS

Staff recommends that the City Council adopt a Resolution of the City Council of the City of Sausalito approving the Second Amendment to Lease Agreement by and between the City of Sausalito and Pippa Murray.

## ATTACHMENTS

1. Resolution of the City Council of the City of Sausalito approving the Second Amendment to Lease Agreement by and between the City of Sausalito and Pippa Murray – Second Amendment included as Exhibit A.

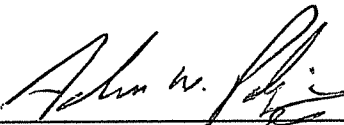
PREPARED BY:

  
Mary A. Wagner, City Attorney

REVIEWED BY;

  
Louise Ho, Finance Director/Treasurer

REVIEWED AND SUBMITTED BY;

  
Adam W. Politzer, City Manager

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAUSALITO,  
CALIFORNIA APPROVING THE SECOND AMENDMENT TO THE LEASE  
AGREEMENT BY AND BETWEEN  
THE CITY OF SAUSALITO AND PIPPA MURRAY**

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**WHEREAS**, the City of Sausalito leases certain real property located at 100 Ebbtide Avenue, Sausalito from the Sausalito School District (the "Site"); and

**WHEREAS**, the City and Pippa Murray ("Tenant") entered into a Lease dated September 15, 2004 as amended by the First Amendment to the Lease (collectively the "Lease") for Tenant's lease of a portion of the Site known as Suites 230 and 144; and

**WHEREAS**, Tenant desires to quit the lease of Suite 144 and rent different space (Suite 138B) from City for use as storage; and

**WHEREAS**, the City and Tenant desire to enter into a Second Amendment to the Lease (the "Second Amendment") which is attached hereto as Exhibit "A" and incorporated herein by reference to provide for the lease of Suite 138B upon the terms and conditions set forth therein; and

**WHEREAS**, the approval of the Second Amendment is exempt from the application of the California Environmental Quality Act (California Public Resources Code Section 21000, et seq., "CEQA"), pursuant to Section 15301 (Class 1 Categorical Exemption) of the State CEQA Guidelines (Title 14, California Code of Regulations Section 15000, et seq.).

**NOW, THEREFORE**, the City Council of the City of Sausalito does hereby resolve as follows:

1. The City Council hereby finds that the Second Amendments is exempt from the application of CEQA pursuant to Section 15301 (Class 1 Categorical Exemption) of the State CEQA Guidelines and the City Clerk, or her designee, is directed to cause a Notice of Exemption to be posted in accordance with CEQA.
2. The Second Amendment to the Lease Agreement by and between the City of Sausalito and Pippa Murray which is attached hereto as Exhibit "A" is hereby approved and the Mayor is authorized to execute the Second Amendment on behalf of the City.
3. Upon execution of the Second Amendment by the Mayor, the City Manager (or his designee), is authorized, on behalf of the City, to approve and/or sign all documents necessary and appropriate to carry out and implement the Second Amendment, and to

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administer the City's obligations, responsibilities and duties to be performed under the Second Amendment and related documents.

**PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Sausalito on the \_\_\_\_ day of \_\_\_\_\_, 2008, by the following vote:

AYES: Councilmembers:  
NOES: Councilmembers:  
ABSENT: Councilmembers:  
ABSTAIN: Councilmembers:

\_\_\_\_\_  
Mayor of the City of Sausalito

ATTEST:

\_\_\_\_\_  
Deputy City Clerk

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**EXHIBIT "A"**

**SECOND AMENDMENT TO LEASE OF PREMISES**

**THIS SECONDAMENDMENT TO LEASE OF PREMISES** ("Second Amendment"), dated effective as of April 23, 2008 (the "Effective Date"), is entered into by and between the **CITY OF SAUSALITO**, a municipal corporation (the "Landlord"), and **PIPPA MURRAY**, an individual (the "Tenant").

**RECITALS**

The following Recitals are a substantive part of this Agreement:

A. Landlord and Tenant entered into a Lease of Premises dated as of September 15, 2004. The Lease provides for Landlord's lease to Tenant of that certain real property commonly known as Building 2, Suite 230, 100 Ebbtide, Sausalito, California (the "Existing Premises").

B. Tenant has exercised her option to extend the Term of the Lease for the Existing Premises to September 14, 2008.

C. Landlord and Tenant entered into a First Amendment to Lease of Premises dated effective as of October 18, 2006 (the "First Amendment") to allow Tenant to lease additional space located in Building 1, Suite 144, 100 Ebbtide, Sausalito California (the "First Amendment Space"). The Original Lease and the First Amendment shall be referred to collective herein as the "Lease."

D. Landlord and Tenant desire to enter into this Second Amendment to the Lease in order to terminate Tenant's lease of the First Amendment Space and to provide for the lease of additional space in Building 1, Suite 138B, 100 Ebbtide, Sausalito, California (the "Additional Space") to Tenant for storage upon the terms and conditions set forth herein.

**AGREEMENT**

In consideration of the mutual covenants and conditions contained in this Amendment, Landlord and Tenant hereby agree as follows:

**Section 1. Premises.** Section 1 of the Lease is hereby amended to provide that commencing on the Effective Date of this Second Amendment: a) Tenant's lease of the First Amendment Space is terminate; and b) in addition to the lease of the Existing Premises, Landlord leases to Tenant and Tenant leases from Landlord Building 1, Suite 138B, 100 Ebbtide, Sausalito, California (the "Additional Space") subject to all of the terms and conditions of the Lease as amended by this Amendment. As utilized in the Lease the term "Premises" shall include both the Existing Premises and the "Additional Space".

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**Section 2. Term.** The lease of the Additional Space shall be on a month-to-month basis, provided, however, that unless earlier terminated the Lease of the Additional Space shall automatically terminate and be of no further force and effect with no notice required on September 14, 2008.

**Section 3. Rent.** Commencing May 1, 2008, Tenant agrees to pay Landlord, as "Rent" for the Additional Space, Six hundred thirty dollars (\$630.00) monthly, in advance of the first day of each month during the Term of this Lease.

**Section 4. Use.** The Additional Premises shall be used only for purposes of storage.

**Section 5. Security Deposit.** Concurrently with the execution of this Amendment Tenant is required to deposit Nine Hundred Forty Five Dollars and 50/100 (\$945.00) with Landlord as the Security Deposit for the Additional Space.

**Section 6. Insurance.** Within thirty (30) days of the Effective Date Tenant shall provide Landlord with a Certificate of Insurance demonstrating that insurance meeting the requirements of Article 9 of the Lease has been obtained for the Additional Space.

**Section 7. Termination.** Either party may terminate Tenant's lease of the Additional Space at any time upon thirty (30) days written notice to the other party.

**Section 8. Relocation.** A new Article 21 is hereby added to the Lease to read as follows:

**ARTICLE 21. LANDLORD'S RIGHT TO RELOCATE TENANT.** Landlord, at any time and from time to time during the Term, shall have the right to relocate Tenant from the Premises as a whole or from one or more of the Suites comprising the Premises (the Premises, or portion thereof, from which Tenant is being relocated pursuant to this Section 21 being referred to herein as the "Old Premises") to other space at the MLK Site which is comprised of the buildings at 100 Ebbtide and 610 Colma (such other space being referred to as the "New Premises"; Landlord's aforesaid right to relocate Tenant from the Old Premises to the New Premises being referred to herein as the "Relocation Option").

Landlord shall have the right to exercise the Relocation Option only by giving notice thereof (the "Relocation Notice") to Tenant not later than sixty (60) days before the date that the aforesaid relocation becomes effective (the date that the relocation becomes effective being referred to herein as the "Relocation Date"). A Relocation Notice shall not be effective for purposes of this Section 21 unless Landlord includes therewith a floor plan identifying the New Premises. The New Premises shall (i) be comprised of rentable area equal to or greater than the rentable area of the Old Premises, and (ii) be similar in configuration to the Old Premises.

Tenant shall vacate the Old Premises and surrender vacant and exclusive possession of the Old Premises to Landlord on or before the Relocation Date, provided that Landlord has theretofore

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delivered vacant and exclusive possession of the New Premises to Tenant in accordance with the terms of this Section 21. Landlord shall reimburse Tenant for any reasonable moving expenses and for any other reasonable costs and expenses incurred by Tenant in so relocating to the New Premises from the Old Premises, within thirty (30) days after Tenant's written request and Tenant's submission to Landlord of reasonable supporting documentation therefore.

From and after the Relocation Date, all references to the Premises herein shall mean the New Premises rather than the Old Premises.”

**Section 9. Effect on Lease.** Except as expressly set forth herein, the terms and conditions of the Lease shall remain in full force and effect. In the event of any inconsistency between the Lease and this Second Amendment, the terms of this Second Amendment shall control.

**Section 10. Entire Agreement; Conflicts.** This Second Amendment and the Lease contain the entire agreement between the parties with respect to the subject matter hereof. Except as otherwise specified herein, no prior oral or written understanding shall be of any force or effect with respect to those matters covered herein. This Second Amendment and the Lease shall not be modified or altered except in writing signed by both parties.

**Section 10. Execution.** This Second Amendment may be executed in duplicate original counterparts each of which shall constitute on and the same instrument.

**LANDLORD:**

**CITY OF SAUSALITO**, a municipal corporation

Dated: \_\_\_\_\_, 2008

By: \_\_\_\_\_  
Amy Belser, Mayor

**ATTEST:**

\_\_\_\_\_  
Deputy City Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
City Attorney

**TENANT:**

Dated: \_\_\_\_\_, 2008

By: \_\_\_\_\_  
Pippa Murray

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