



STAFF REPORT

SAUSALITO CITY COUNCIL

AGENDA TITLE:

Adoption of a Resolution approving the Second Amendment to Lease Agreement by and between the City of Sausalito and Lorna Newlin- 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 Lorna Newlin

BACKGROUND

The City and Lorna Newlin (the "Tenant") entered into a Lease of Premises dated as of December 14, 2005 which provided for the lease of Suite 790 in Building 7 at the MLK Site – 610 Coloma Street, Sausalito. City and Tenant also entered into the First Amendment to the Lease dated August 1, 2007 which extended the term of the Lease to July 31, 2008. The proposed Second Amendment to the Lease provides for the extension of the term of the Lease for an additional period of one year – until July 31, 2009. The monthly lease rate for Suite 729 will increase from \$547.56 to \$585.00 or \$1.50 per square foot. It is important to note that Building 7 (aka the Bus Barn) is occupied nearly exclusively by artists and that the rental rates have been set accordingly to attract and maintain this desired use.

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

FISCAL IMPACT

The proposed Second Amendment to the Lease provides for the lease of Suite 790 for a monthly rental rate of \$585.00. This is a slight increase over the existing rental rate.

STAFF RECOMMENDATIONS

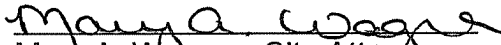
Staff recommends that the City Council:

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 Lorna Newlin.

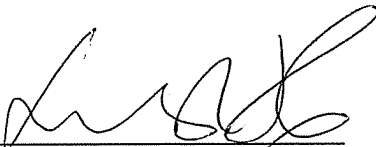
ATTACHMENTS

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 Lorna Newlin.
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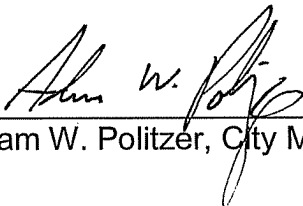
PREPARED BY:


Mary A. Wagner, City Attorney

REVIEWED BY;


Louise Ho, Finance Director

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 LORNA NEWLIN**

WHEREAS, the City of Sausalito leases that certain real property located at 610 Coloma Street, Sausalito from the Sausalito School District (the "Site"); and

WHEREAS, the City and Lorna Newlin ("Tenant") entered into a Lease dated December 14, 2005 (the "Lease") for Tenant's lease of a portion of the Site known as Suite 790; and

WHEREAS, the City and Tenant entered into the First Amendment to the Lease dated August 1, 2007 which extended the term of the Lease to July 31, 2008; 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 extend the term of the lease as amended for an additional period of one year 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 Lorna Newlin 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 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:

NOES:

ABSENT:

ABSTAIN:

MAYOR OF THE CITY OF SAUSALITO

CITY CLERK

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Exhibit "A"

SECOND AMENDMENT TO LEASE OF PREMISES

THIS SECOND AMENDMENT TO LEASE OF PREMISES ("First Amendment"), dated effective as of August 1, 2008 (the "Effective Date"), is entered into by and between the **CITY OF SAUSALITO**, a municipal corporation (the "Landlord"), and **LORNA NEWLIN**, an individual (the "Tenant").

RECITALS

The following Recitals are a substantive part of this Agreement:

A. Landlord and Tenant entered into the Lease of Premises dated as of December 14, 2005 and the First Amendment to Lease of Premises dated effective as of August 1, 2007 (collectively the "Lease"). Capitalized terms utilized herein and not otherwise defined shall have the same meaning as set forth in the Lease.

B. The Lease provides for Landlord's lease to Tenant of approximately three hundred ninety (390) square feet located in Building 7, Suite 790 at 610 Coloma Street, City of Sausalito, County of Marin (the "Premises") for a term ending on July 31, 2008.

C. Landlord and Tenant desire to enter into this Second Amendment to the Lease to allow for the extension of the term of the Lease through July 31, 2009 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. Term. Section 2.1 of the Lease is hereby amended in its entirety to read as follows:

"2.1 Term. This Lease shall be for a period of one (1) year ("Term") commencing August 1, 2008 ("Commencement Date"). This Lease shall end one (1) year from the Commencement Date, that is at midnight of July 31, 2009 ("Expiration Date"), unless otherwise terminated in accordance with the provisions of this Lease".

Section 2. Rent. Commencing on the Effective Date of this Amendment, the monthly rent to be paid by Tenant to Landlord in accordance with Section 3.1 of the Lease shall be Five Hundred Eight Five Dollars and 00/100 (\$585.00).

Section 3. Security Deposit. Concurrently with the execution of this Second Amendment Tenant shall deposit with Landlord such additional sums as are required to cause the Security Deposit to be equal to one and one half month's Rent.

Section 4. 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 First Amendment, the terms of this First Amendment shall control.

Section 5. Entire Agreement; Conflicts. This 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 Amendment and the Lease shall not be modified or altered except in writing signed by both parties.

Section 6. Execution. This First Amendment may be executed in duplicate original counterparts each of which shall constitute one and the same instrument.

LANDLORD:

CITY OF SAUSALITO, a municipal corporation

Dated: _____, 2008

By: _____
Amy Belser, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

TENANT:

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Dated: _____, 2008

By: _____
Lorna Newlin

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