



STAFF REPORT

SAUSALITO CITY COUNCIL

AGENDA TITLE: Approval of the First Amendment to Lease of Premises by and between the City of Sausalito and the New Village School

RECOMMENDED MOTION: Adopt a Resolution of the City Council of the City of Sausalito Approving the First Amendment to Lease of Premises by and between the City of Sausalito and the New Village School

DISCUSSION

The City and the New Village School entered into a lease for the use of Suite 144 at the MLK property for a K-8 school on February 1, 2009. The School is requesting to lease additional space at MLK to meet its expanding needs. Specifically the School desires to lease Suites 100-S, 154 and 350.

Suite 100-S: This space is approximately 80 square feet. It will be utilized for storage and it will be leased on a month to month basis at a monthly rental rate of \$80 (\$1.00/square foot).

Suite 154: This space is approximately 358 square feet. It will be utilized as office space for the School and it will be leased for the remaining term of the original Lease (expires January 31, 2010 with an option to extend to January 31, 2012) for a monthly rental amount of \$447.50 (\$1.25/square foot).

Suite 350: This space is approximately 1478 square feet. It will be used as additional class room space and it will be leased until June 30, 2010 for a monthly rental amount of \$2956.00 (\$2.00/square foot). If the School remains in the space after the expiration of the term it will be charged a hold over rent of 250% of the existing rental amount (typically hold over is 200%).

The New Village School is examining Suite 138 (kitchen) and will be meeting with the OMIT Committee to discuss options for the lease of that space.

The OMIT Committee (Mayor Leone and Councilmember Kelly) has reviewed and approved the terms of the proposed First Amendment.

FISCAL IMPACT

Under the proposed First Amendment the City will receive additional monthly rent from the New Village School in the amount of \$3483.50.

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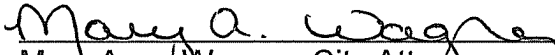
STAFF RECOMMENDATIONS

Adopt a Resolution of the City Council of the City of Sausalito Approving the First Amendment to Lease of Premises by and between the City of Sausalito and the New Village School

ATTACHMENTS

A Resolution of the City Council of the City of Sausalito Approving the First Amendment to Lease of Premises by and between the City of Sausalito and the New Village School

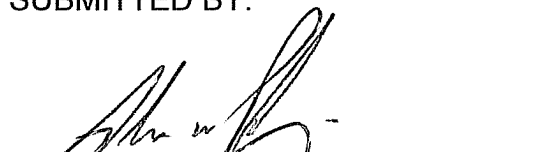
PREPARED BY:


Mary Anne Wagner, City Attorney

REVIEWED BY:


Charlie Francis, Administrative Services Director

SUBMITTED BY:


Adam W. Politzer, City Manager

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FIRST AMENDMENT TO LEASE OF PREMISES

THIS FIRST AMENDMENT TO LEASE OF PREMISES (“Amendment”), dated effective as of August 1, 2009 (the “Effective Date”), is entered into by and between the **CITY OF SAUSALITO**, a municipal corporation (the “Landlord”), and **THE NEW VILLAGE SCHOOL**, a California Non-Profit Public Benefit Corporation (“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 February 1, 2009 (the “Lease”). Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Lease.

B. The Lease provides for Landlord’s lease to Tenant of a portion of the real property located at Building 1, Suite 144 and the adjacent entry and bathrooms at 100 Ebbtide, City of Sausalito, County of Marin, State of California (the “Existing Premises”).

C. Tenant desires to lease additional space from Landlord, specifically Suites 154 (358 square feet) and 100-S (80 square feet), in Building 1 and Suite 350 (1478 square feet) in Building 3 (collectively the “Additional Premises”).

D. Landlord and Tenant desire to enter into this Amendment in order to provide for Tenant’s lease of the Additional Premises.

AGREEMENT

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

Section 1. Premises. Article 1 of the Lease is hereby amended to provide that commencing upon the Effective Date of this Amendment, Landlord leases to Tenant and Tenant leases from Landlord the Additional Premises. The Additional Premises (and each portion thereof) is 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 the Additional Premises.

Section 2. Term. The Term of the lease of the Additional Space shall commence on the Effective Date of this Amendment and end on the Expiration Date; provided, however that the Term for the Lease of Suite 100-S shall be on a month to month basis terminable by either party upon thirty (30) days written notice and with respect to Suite 350 the Term shall expire on June 30, 2010 and the option to extend the Term for the Extension Term shall not apply to Suite 350.

Section 3. Base Rent. Section 3.1 of the Lease is amended to provide as follows:

a. Commencing on the Effective Date Tenant agrees to pay Landlord the following amounts as Base Rent for the Premises monthly in advance on the first of the month during the Term:

- i. Suite 144: One Thousand Seven Hundred Eighteen Dollars and 75/100 (\$1,718.75); and
- ii. Suite 154: Four Hundred Forty Seven Dollars and 50/100 (\$447.50); and
- iii. Suite 100-S: Eighty Dollars and 00/100 (\$80.00); and
- iv. Suite 350: Two Thousand Nine Hundred Fifty Six Dollars and 00/100 (\$2,956.00);

for a total monthly rental amount of Five Thousand Two Hundred Two Dollars and 25/100 (\$5,202.25).

Section 4. Security Deposit. On or before the Effective Date the Security Deposit provided by Tenant in accordance with Article 6 of the Lease shall be increased by an amount equal to two month's rent for the Additional Premises or Six Thousand Nine Hundred Sixty Seven Dollars and 00/100 (\$6,967.00).

Section 5. Insurance. Prior to the Effective Date Tenant shall deliver to Landlord certificates reasonably acceptable to the Landlord's City Manager or his designee evidencing that Tenant has obtained insurance meeting the requirements of Article 9 of the Lease for the Additional Premises.

Section 6. Tenant Improvements. Tenant shall comply with the provisions of Section 8.4 of the Lease with respect to any improvements to the Premises, provided, however, that Tenant shall be entitled to paint the interior of Suite 350 without any additional approval required. Landlord acknowledges Tenant's desire to improve the outdoor courtyard area located between Buildings 1 and 3; prior to commencing any such improvements Tenant shall submit plans to the City Manager or his designee for approval. Tenant's right to utilize the courtyard area is non-exclusive and subject to the rights of all other tenants at the site.

Section 7. Hold Over. With respect to Suite 350 the hold over rent payable under Section 15.6 of the Lease shall be two hundred and fifty percent (250%) of the Base Rent which was payable by Tenant during the last month of the Term prior to the expiration or termination of the Term. With respect to the remainder of the Premises the existing provisions of Section 15.6 of the Lease shall apply.

Section 8. 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 Amendment, the terms of this Amendment shall control.

Section 9. 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

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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 10. Execution. This 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: _____, 2009

By: _____
Jonathan Leone, Mayor

ATTEST:

Deputy City Clerk

APPROVED AS TO FORM:

City Attorney

TENANT:

THE NEW VILLAGE SCHOOL, A California-Non-Profit Public Benefit Corporation

Dated: _____, 2009

By: _____
Printed Name: _____
Its: _____

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RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF SAUSALITO, CALIFORNIA
APPROVING THE FIRST AMENDMENT TO THE LEASE AGREEMENT BY AND
BETWEEN THE CITY OF SAUSALITO AND THE NEW VILLAGE SCHOOL**

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

WHEREAS, the City has entered into a Lease Agreement with the New Village School for the Lease of Suite 144; and

WHEREAS, the City and the New Village School desire to enter into the attached First Amendment to the Lease which is attached hereto as Exhibit "A" and incorporated herein by reference to provide for the lease of additional space at the Site for school purpose; and

WHEREAS, the approval of the proposed 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 proposed Amendment 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 Notices of Exemption to be posted in accordance with CEQA.
2. The First Amendment to the Lease Agreement by and between the City of Sausalito and the New Village School which is attached hereto as Exhibit "A" is hereby approved and the Mayor is authorized to execute the First Amendment on behalf of the City.

3. Upon execution of the 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 Amendment, and to administer the City's obligations, responsibilities and duties to be performed under the Amendment and related documents.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Sausalito on the ____ day of _____, 2009, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

MAYOR OF THE CITY OF SAUSALITO

CITY CLERK

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Exhibit "A"

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Jonathan Leone, Mayor

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Deputy City Clerk

APPROVED AS TO FORM:

City Attorney

TENANT:

THE NEW VILLAGE SCHOOL, A California-Non-Profit Public Benefit Corporation

Dated: _____, 2009

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