OAKLAND CITY COUNCIL

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FILED OFFICE OF THE CITY CLERK OAKLAND

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2004 JUN 24 PH 12: 05 RESOLUTION NO. 78671C.M.S.

INTRODUCED BY COUNCILMEMBER

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR ON BEHALF OF THE CITY OF OAKLAND TO ENTER INTO A TWO (2) YEAR LEASE, WITH OPTIONS, WITH THE EAST BAY MUNICIPAL UTILITY DISTRICT (EBMUD) FOR THE ALICE STREET LEARNING CENTER PROPERTY, LOCATED AT 250 – 17TH STREET, AT A INITIAL RATE NOT TO EXCEED \$1.40 PER SQUARE FOOT, PLUS THE COST OF UTILITIES AND SERVICES AND OTHER INDEX ADJUSTMENTS.

WHEREAS, the City of Oakland adopted a resolution in July 1993, approving a lease for this 4,920 square foot building for use as a child care center for downtown workers; and

WHEREAS, the facility over the years has proven to be an asset to employees and residents in the downtown area and is the only one of its kind currently in operation downtown; and

WHEREAS, the Oakland Unified School District through a Memorandum of Understanding (MOU) with the City, provides early childhood education at the site and funds earmarked for the continuance of the lease with EBMUD expire on June 30, 2004; and

WHEREAS, the existing lease terms with EBMUD will be modified to reflect the following terms and conditions:

- a) The initial first years rent is set at \$1.40 per square foot or \$6,888 per month;
- b) The City will pay the cost of utilities and services associated with the operation of the facility;
- c) The base rent will increase at least 3% starting the second year of the lease;
- d) The City shall have the option to extend the lease by three one-year periods after the two year fixed term;
- e) The City shall have the first right of opportunity to re-lease or purchase the property from EBMUD;
- f) The City shall have the right to assign or sub-let the facility to child care providers;
- g) The Oakland Unified School District is the current child care provider and will allocate \$80,000 for the partial payment of the first years rent; now therefore be it,

RESOLVED: That the City Administrator is hereby authorized and directed to execute on behalf of the City of Oakland, a lease agreement with the East Bay Municipal Utility District

consistent with this resolution; the Manager, Real Estate Services, is authorized and directed to take any and all actions necessary to complete the lease transaction hereby approved; and be it

FURTHER RESOLVED: That the lease shall be approved as to form and legality by the Office of the City Attorney and copies shall be placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, JUL 62004, 2004

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BROWNER, CHANG, NADEL, REID, QUAN, WAN, AND PRESIDENT DE LA

FUENTE - 6 NOES-ABSENT-ABSTENTION-BROOKS, BRUNNER - 2

Attest: CEDA

City Clerk and Clerk of the Council of the City of Oakland, California