



Staff Report Item 12

TO: East Bay Community Energy Board of Directors
FROM: Nicolas Chaset, Chief Executive Officer
SUBJECT: EBCE Office Space Lease
DATE: January 16, 2019

Recommendation

Approve the following recommendations:

- A. Authorize CEO to enter into negotiations for a sub-lease agreement of the 2nd floor 1212 Broadway in Oakland; and
- B. Delegate approval of final sub-lease agreement to EBCE Executive Committee

Background

At the November 7, 2019 EBCE Board of Directors meeting, EBCE staff brought a set of proposed criteria forward to inform EBCE’s search for office space that can accommodate EBCE’s current and future needs. Based on feedback from the Board, the following criteria were adopted:

- 1. Walking distance to a BART station (1/4 quarter mile or less)
- 2. Class A or B office space able to accommodate 30 to 40 staff
- 3. Large enough conference room to host Community Advisory Committee, Executive Committee and Sub-Committee meetings
- 4. 2019 lease cost within EBCE’s approved budget

Based on these criteria, EBCE staff have reviewed or toured potential office locations in Berkeley, Oakland, San Leandro, Fremont, Dublin and Castro Valley. Additionally, staff sought out office space in Hayward and Union City, but were unable to find suitable space in those two locations.

Below is a table of the top properties that we reviewed in each city from a cost perspective.

BUILDING	SQUARE FOOTAGE	Top Lease		
		PRICE/SF/YEAR	EST. MONTHLY RENT	LEASE TERM
Downtown Oakland BART				

1212 Broadway	±8,278 SF	\$3.85 FS	\$31,870	4 years
426 17 th Street	±8,292 SF	\$4.00 FS	\$33,168.00	Over 5 years
1956 Webster Street	±7,244 SF	\$4.25 FS	\$30,787.00	Over 5 years
Downtown Berkeley BART				
2105 Bancroft Way	±7,155 SF	\$4.25 FS	\$30,409	Over 5 years
2100 Shattuck Ave	±9,594 SF	\$4.25 FS	\$40,775	Over 5 years
Fremont BART				
39650 Liberty Street	±7,090 SF	\$2.75 FS	\$19,497.50	Over 5 years
39141 Civic Center Drive	±12,806 SF	\$3.00 FS	\$38,418.00	Over 5 years
2201 Walnut Avenue	±7,609 SF	\$2.90 MG	\$23,968.35	Over 5 years
West Dublin BART				
6210 Stoneridge Mall Road	±17,296 SF	\$3.25 FS	\$56,212.00	Over 5 years
7901 Stoneridge Drive	±8,722 SF	\$3.00 FS	\$26,166.00	Over 5 years
Dublin BART				
4683 Chabot Drive	±9,224 SF	\$2.85 FS	\$26,288.40	Over 5 years
5050 Hopyard Road	±12,377 SF	\$2.95 FS	\$36,512.00	Over 5 years
5075 Hopyard Road	±7,018 SF	\$2.95 FS	\$20,703.10	Over 5 years
5860 Owens Drive	±8,521 SF	\$3.00 FS	\$25,563.00	Over 5 years

Given that EBCE’s office needs are likely to evolve significantly as the organizations grows in the coming two-three years, staff believes a shorter term lease (under five years) makes the most sense at this time. Unfortunately, very few sites adjacent to Bart stations offered sub-leases. As a result, staff has identified 1212 Broadway as representing the best combination of cost, lease term and suitability.

1212 Broadway has sufficient space to support upwards of 45 employees, while also having a large dedicated space ideal for public meetings. 1212 Broadway is also priced at the low of the range of sites while being immediately adjacent to the 12th street BART station.

Based on these findings, Staff recommends that the Board of Directors direct the CEO to enter into lease negotiations with the current tenant of 1212 Broadway and to bring the final lease agreement to the EBCE Executive Committee for final approval.