



### Staff Report Item X

**TO:** East Bay Community Energy Board of Directors

**FROM:** Nicolas Chaset, Chief Executive Officer

**SUBJECT:** EBCE Office Space Lease

**DATE:** March 20, 2019

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#### **Recommendation**

- 1) Approve Staff recommendation to enter into negotiations for a sub-lease agreement for office space at 1999 Harrison St, Oakland California
- 2) Delegate to Chief Executive Officer to negotiate and execute a sub-lease agreement for 1999 Harrison St, Oakland California

#### **Background**

At the January 16, 2019 EBCE Board of Directors meeting, EBCE staff brought a recommendation to enter into lease negotiations for a sublease at 1212 Broadway in Oakland, California. During the meeting, questions were raised by members of the Board of Directors about the seismic retrofit status of 1212 Broadway. In response to these questions, EBCE staff engaged a structural engineer to review the most recent seismic study for 1212 Broadway. The findings of the study did not find major seismic risks but did not that the building had not been seismically retrofitted.

Subsequently, EBCE staff re-focused the search for office space towards downtown Oakland subleases in buildings built or retrofitted within the last 20 years. Through this process, EBCE staff identified a 3 year sublease at 1999 Harrison St – a building built in 2003 to meet stringent seismic standards. Additionally, 1999 Harrison meets the criteria that EBCE staff applied to the initial search that resulted in the proposed 1212 Broadway sublease.

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 findings, it is the recommendation of Staff that the Board of Directors direct staff to enter into lease negotiations with the current tenant of 1999 Harrison and to delegate to the CEO to negotiate and execute a sub-lease agreement of no more than 4 years at a lease cost that is within EBCE's approved 2018-2019 budget for office space.