



Office of the City Attorney

CONSENT CALENDAR

February 28, 2023

To: Honorable Mayor and Members of the City Council

From: Farimah Brown, City Attorney
Liam Garland, Director of Public Works

Submitted by: Sara Stephens, Deputy City Attorney
Liam Garland, Director of Public Works

Subject: Bauman lease termination and settlement of balance due

RECOMMENDATION

Adopt a resolution authorizing the City Manager to execute a lease termination agreement with Bauman Wellness (“Bauman”) for its tenancy at 1007 University Ave., including a bill of sale transferring all of Bauman’s assets remaining in the leased premises to City ownership, and a mutual waiver of claims.

FISCAL IMPACTS OF RECOMMENDATION

Bauman owes the City \$180,428.92 in unpaid rent during its tenancy, which it is unable to pay. The lease termination provides that Bauman will make a one-time payment of \$19,000 to the City and transfer all of its trade fixtures and other personal property that would not already revert to City ownership at lease termination. The estimated in-place value of these items is \$16,030. Additionally, the City will retain Bauman’s security deposit of \$17,020. Together, the City will receive a total value of \$52,050, and agree to forego the remaining \$130,378.92 of unpaid rent which Bauman states it is unable to pay. The City will also avoid potential litigation costs associated with demanding the entire balance due. The one-time payment from this lease termination agreement will be deposited into the Public Works Department General Fund (011) revenue budget.

CURRENT SITUATION AND ITS EFFECTS

During its tenancy, Bauman has operated a cooking school and provided training programs in nutrition and wellness, and has installed commercial kitchen equipment in the leased premises. On July 7, 2022, Bauman provided notice that it was terminating its lease, effective August 31, 2022. In its termination letter, Bauman stated a desire to negotiate an agreement with the City to satisfy its unpaid rent obligation, which was due, in part, to financial difficulties caused by COVID-19. Bauman offered to pay

\$19,000 in cash and transfer of all of the organization's leasehold improvements, fixtures, equipment, and furnishings ("Assets").

The most valuable Assets already revert to City ownership at the termination of the lease. Bauman's lease provides that, unless the City requires Bauman to remove the improvements, "all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises." Thus, the true value of the offer by Bauman is the value of the Trade Fixtures and other personal property, which would not revert to City ownership at termination of the lease. Trade Fixtures are defined as "Lessee's machinery and equipment that can be removed without doing material damage to the Premises."

According to an appraisal commissioned by Public Works on December 7, 2022, the in-place value of Bauman's Trade Fixtures and other personal property equals \$16,030. In addition, Bauman provided a \$17,020 security deposit at the beginning of its lease, which the City can apply to the balance due as well.

Public Works is aware of a number of organizations and programs that are interested in using Bauman's former commercial kitchen space and its Assets, including Meals on Wheels, Berkeley Food Network, and Bread Project. Because of this demand and the value of the Assets that exceeds the unpaid rent, Public Works and the City Manager's Office support this settlement.

BACKGROUND

The City of Berkeley purchased 1001-1007 University Ave. in April 2017, where Institute for Educational Therapy, d/b/a Bauman Wellness (formerly Bauman College) was an existing tenant. The lease in effect at the time, which was assigned to the City, commenced February 1, 2011 and expired January 31, 2021, with two 5-year options to extend. Bauman did not exercise its option in writing, and the most recent status of the lease was therefore in holdover. For a number of reasons, there were significant delays bringing the term sheet for a lease amendment to closed session. Thus, the effective lease during Bauman's entire tenancy was the original lease assigned to the City in 2017. The rental rate was at or above market value, which became unaffordable for Bauman, a nonprofit organization. Bauman's monthly rent under the lease started at \$8,510 per month, adjusted annually by CPI or 3%, whichever was less. In 2021, the rental rate was \$10,812.18 per month, and in 2022, the rental rate was \$11,136.55 per month. During COVID-19, Bauman stopped making lease payments. When Public Works staff informed Bauman of its balance due on June 30, 2022, Bauman responded by giving 30 days' notice that it was terminating its lease. Because the lease was in holdover, the 30 days' notice was proper. Bauman vacated the leased premises on August 31, 2022. Since that time, staff have been negotiating with Bauman toward a resolution to the unpaid balance.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental impacts associated with the proposed termination agreement.

RATIONALE FOR RECOMMENDATION

Once executed, the termination agreement will resolve the unpaid balance owed by Bauman, transfer Bauman's commercial kitchen equipment and assets to the City, and prepare the premises for future use by the City or other community organizations.

ALTERNATIVE ACTIONS CONSIDERED

Refusing Bauman's offer and requiring payment in full of the unpaid rent was briefly considered and rejected. It would likely be very difficult, if not impossible, to collect the full amount of unpaid rent, and would also mean forfeiting significant equipment and supplies that will be useful to the City and future tenants.

CONTACT PERSON

Andrew Brozyna, Deputy Director of Public Works, 510-981-6396

Attachments:

1. Resolution
2. Termination Agreement

RESOLUTION NO. XX,XXX N.S.

AUTHORIZING A LEASE TERMINATION AGREEMENT WITH BAUMAN WELLNESS
AND BILL OF SALE TRANSFERRING BAUMAN'S ASSETS TO THE CITY.

WHEREAS, the City and Bauman Wellness ("Bauman") are parties to a commercial lease dated May 10, 2010 between the City's predecessor-in-interest, 1011 University LLC, and Bauman's predecessor-in-interest, Bauman College;

WHEREAS, the lease covers premises consisting of approximately 7,400 square feet of ground floor commercial space, including the courtyard area, located at 1007 University Avenue;

WHEREAS, the lease expired on January 31, 2021, and Bauman Wellness vacated the premises on August 31, 2022;

WHEREAS, Bauman owes the City \$180,428.92 in unpaid rent which it states it is unable to pay in full;

WHEREAS, Bauman has offered to make a one-time payment to the City of \$19,000 and transfer all of its assets to the City in exchange for forgiveness of the rent due and a mutual waiver of claims;

WHEREAS, the City is aware of local organizations and programs that could make use of Bauman's commercial kitchen assets and equipment;

WHEREAS, the City recognizes that it may not be able to collect the unpaid rent otherwise;

WHEREAS, the City and Bauman desire to resolve the tenancy and the balance due amicably;

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Berkeley hereby authorizes the City Manager to execute the Lease Termination Agreement with Bauman Wellness, including a Special Warranty Bill of Sale transferring to the City all of Bauman's assets that remain on the leased premises, as described in Exhibit A.

Exhibit:

A: Lease Termination Agreement

LEASE TERMINATION AGREEMENT

(1007 University Avenue, Berkeley, CA)

THIS LEASE TERMINATION AGREEMENT ("**Lease Termination**") is made and entered into as of August 31, 2022 ("**Effective Date**"), by and between the CITY OF BERKELEY, a California municipal corporation and charter city ("**Landlord**") and INSTITUTE FOR EDUCATIONAL THERAPY, a California non-profit public benefit corporation d/b/a Bauman Wellness ("**Tenant**").

Recitals

- A. Landlord and Tenant are parties to that certain Standard Industrial/Commercial Multi-Tenant Lease – Net dated May 10, 2010, ("**Lease**") between Landlord's predecessor-in-interest, 1011 University LLC, and Tenant's predecessor-in-interest, Bauman College.
- B. The Lease covers certain premises consisting of approximately 7,400 square feet of ground floor commercial space, including the courtyard area, located at 1007 University Avenue, Berkeley, California, as more particularly described in the Lease ("**Demised Premises**").
- C. The Lease expired on January 31, 2021, and Tenant vacated the Demised Premises on August 31, 2022.
- D. Landlord and Tenant desire to document the termination of the Lease so that, as of the Effective Date, Tenant has no further interest in, and neither Landlord nor Tenant have any obligation or liability arising from or related to, the Lease or the Demised Premises.

Agreements

NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. Recitals; Capitalized Terms; Exhibits. The foregoing recitals are incorporated by reference into this Lease Termination. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Lease. All exhibits attached hereto are incorporated by reference as though fully set forth herein.
2. Representation and Warranties.
 - a. Tenant. Tenant represents and warrants to Landlord that, as of the Lease Commencement Date through the Effective Date, (a) Tenant is the sole and rightful owner of all of the Tenant's interest in the Lease; (b) Tenant has not made any disposition, assignment, sublease (other than subleases that terminate as of the Effective Date), pledge, or conveyance of the Lease or Tenant's interest therein; (c) Tenant is duly organized, validly existing, and in good standing under California law; (d) Tenant has full power and authority to execute, deliver, and

perform this Lease Termination; (e) this Lease Termination, when executed by Tenant and Landlord, and delivered to Landlord, will be the valid and binding obligation of Tenant and Landlord enforceable in accordance with its terms; (f) Tenant has not engaged in any voluntary or involuntary bankruptcy or assignment for the benefit of Tenant's creditors within 120 days before the Effective Date; (g) there are no outstanding contracts for the supply of labor or material and no work has been done or is being done in, to or about the Demised Premises which has not been fully paid for and for which appropriate waivers of mechanic liens have not been obtained; (h) Tenant is the sole and rightful owner of all right, title, and interest in each of the Inventory and Equipment (defined below); (i) Tenant has not made any disposition, assignment, pledge, sublease, or conveyance of any of the Inventory and Equipment, or Tenant's interest therein; and (j) no other person or entity has an interest in any of the Inventory and Equipment, collateral or otherwise. All of the foregoing representations and warranties shall survive the termination of the Lease.

b. Landlord. Landlord represents and warrants to Tenant that (a) Landlord is the sole and rightful owner of all of the Landlord's interest in the Lease; (b) Landlord has not made any disposition, assignment, sublease, pledge, or conveyance of the Lease or Landlord's interest therein; (c) Landlord is duly organized and validly existing under California law; (d) Landlord has full power and authority to execute, deliver, and perform this Lease Termination; and (e) this Lease Termination, when executed by Tenant and Landlord, and delivered to Tenant, will be the valid and binding obligation of Tenant and Landlord enforceable in accordance with its terms. All of the foregoing representations and warranties shall survive the termination of the Lease.

3. Termination of the Lease. The Lease shall terminate as of the Effective Date set forth in the introductory paragraph above ("**Termination Date**").

4. Unpaid Rent; Security Deposit; Inventory and Equipment. As of the Termination Date, Landlord shall forgive and write-off the overdue Rent in the amount of One Hundred Eighty Thousand, Four Hundred Twenty-Eight and 91/100ths Dollars (\$180,428.91). Upon the Termination Date, Landlord shall retain the Security Deposit in the amount of Seventeen Thousand, Twenty and no/100ths Dollars (\$17,020.00), Tenant shall pay to Landlord \$19,000, and Tenant shall convey to Landlord all of Tenant's right, title and interest in, and Landlord shall retain, all of the inventory and equipment located in the Demised Premises listed on Exhibit A, attached hereto and incorporated by this reference ("**Inventory and Equipment**") by way of a Special Warranty Bill of Sale in the form attached hereto as Exhibit B, and Tenant hereby renounces any and all claims to the return of the Security Deposit and the Inventory and Equipment.

5. Surrender of Demised Premises. Tenant shall have quit and surrendered possession of the Demised Premises to Landlord on or before the Termination Date in good operating order, condition and state of repair, ordinary wear and tear excepted, and otherwise in compliance with the terms in Section 7.4(c) of the Lease. On or before the Termination Date, Tenant shall surrender the Inventory and Equipment to Landlord.

6. Termination of Liabilities. Conditioned on the performance by the parties of the provisions of this Lease Termination, upon termination of the Lease, neither Landlord nor

Tenant shall have any further liability or obligation to the other under the Lease except for the following (collectively, the "**Surviving Claims**"): (a) any claim arising from the breach of this Lease Termination, (b) any claim against Landlord by any third party arising out of or in connection with Tenant's use and/or occupancy of the Demised Premises through the Termination Date for which Tenant shall remain solely responsible, (c) any claim against Tenant by any third party arising out of or in connection with the use and/or occupancy of the Demised Premises after the Termination Date for which Landlord shall remain solely responsible; and (d) any claim or right under any section of the Lease which, by its terms survives, or is intended to survive, the termination of the Lease (which, for the avoidance of doubt, shall include indemnification obligations under the Lease and claims regarding the condition of the Demised Premises other than as set forth in this Lease Termination. This Lease Termination shall fully and finally settle all demands, charges, claims, accounts or causes of action of any nature arising out of or in connection with the Lease, except as to the Surviving Claims, and constitutes a mutual release with respect to the Lease except as to the Surviving Claims.

7. Waiver and Release.

a. By Tenant. Tenant hereby releases Landlord from any and all claims, actions, causes of action, obligations, costs, damages, losses, liabilities and demands (other than the Surviving Claims), of whatever kind and nature, in law or equity, in contract, tort or otherwise, past, present, future, known or unknown, contingent or non-contingent, anticipated or unanticipated, suspected or unsuspected, which Tenant now has, ever had, or may have in the future arising directly or indirectly out of, based on, relating to or connected in any way with the Lease.

b. By Landlord. Subject to Tenant's timely satisfaction all of its obligations under this Lease Termination, Landlord hereby releases Tenant from any and all claims, actions, causes of action, obligations, costs, damages, losses, liabilities and demands (other than the Surviving Claims), of whatever kind and nature, in law or equity, in contract, tort or otherwise, past, present, future, known or unknown, contingent or non-contingent, anticipated or unanticipated, suspected or unsuspected, which Landlord now has, ever had, or may have in the future arising directly or indirectly out of, based on, relating to or connected in any way with the Lease.

c. Each of the parties expressly waives all rights provided by section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

8. Remedies. In the event of a breach of this Lease Termination by a party, the other party shall be entitled to sue for damages, seek specific performance, and exercise all rights and

remedies available to the aggrieved party under this Lease Termination and at law and in equity for such breach.

9. Attorneys' Fees. In the event of any legal proceeding in connection with this Lease Termination, the party which prevails in such action shall be entitled to recover, in addition to all other remedies or damages, reasonable attorneys' fees and costs of court incurred in such suit.

10. Notices. All notices, demands or other communications given in connection with this Lease Termination ("**Notices**") shall be given in writing and transmitted by personal delivery, overnight courier, or certified mail, return receipt requested, to the addresses below or to such other address as the party may designate by Notice similarly given. For the purposes herein, notices shall be sent to Landlord and Tenant as follows:

Landlord: City of Berkeley
2180 Milvia Street
Berkeley, CA 94704
Attn: _____

Tenant: Bauman Wellness
125 S. Main St. PMB 161
Sebastopol, CA 95472
Attn: Dr. Ed Bauman

11. Brokerage Commission. Tenant represents that it has not been represented by any broker in connection with this Lease Termination, and that no real estate broker's commission, finder's fee or other compensation (individually and collectively, "**Commission**") is due or payable. Tenant agrees to indemnify and hold harmless Landlord from any claims or liabilities, including reasonable attorneys' fees, in connection with a claim by any person for a Commission based upon any statement, representation or agreement of Tenant.

12. Authorization. Each individual or entity executing this Lease Termination on behalf of Tenant represents and warrants that he or she or it is duly authorized to execute and deliver this Lease Termination on behalf of Tenant and that such execution is binding upon Tenant.

13. Miscellaneous. This Lease Termination constitutes the entire agreement between the parties regarding the subject matter hereof and all prior understandings, representations, and agreements concerning the subject matter hereof, whether verbal or written, are superseded hereby. In the event of any express and direct conflict between this Lease Termination and the Lease, this Lease Termination will control. This Lease Termination shall be construed and interpreted in accordance with the laws of the State of California. The parties have read this Lease Termination and the mutual releases contained in it, and on advice of counsel they have freely and voluntarily entered into the Lease Termination. This Lease Termination shall be binding upon and inure to the benefit of Landlord and Tenant and their respective successors, assigns, shareholders, members, principals and related entities. This Lease Termination will not be construed against any party on the basis of that party having responsibility for the drafting of

this Lease Termination. Time is of the essence in the performance of each of the provisions of this Lease Termination. The parties agree to execute, acknowledge if required and deliver such further and additional documents, instruments or writings not specifically referred to herein as may be necessary, required, proper, desirable or convenient for the purpose of fully effectuating the provisions hereof. This Lease Termination may be executed in any number of counterparts and by electronic signature, each of which shall be an original but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Lease Termination is made as of the Effective Date:

LANDLORD:

CITY OF BERKELEY, a California municipal corporation and charter city

TENANT:

INSTITUTE FOR EDUCATIONAL THERAPY, a California non-profit public benefit corporation d/b/a Bauman Wellness

By: _____
Dee Williams-Ridley

Its: City Manager

Date: _____

By: _____
Dr. Edward Bauman

Its: Chief Executive Officer

Date: _____

APPROVED AS TO FORM:

Farimah F. Brown, City Attorney

ATTEST:

_____, Deputy City Clerk

Restricted

EXHIBIT A

List of Inventory and Equipment

EXHIBIT A

Location	Asset /Item(s) Description	Quantity	Color
A1	Volcan Ovens	4	Stainless Steel
Kitchen	Volcan Stove Tops	4	Stainless Steel
	Volcan Broiler	1	Stainless Steel
<i>(Each side of Volcan)</i>	Connected Workspace Tables	2	Stainless Steel
	1 side filled with:		
	Mugs, Saucers, Plates, Bowls Glasses	Assorted	White/ Glass
	Vegetable Prep Sinks	2	Stainless Steel
	Sink, Soap and Towel Dispenser	1 Each	Stainless Steel
	Prep tables	2	Stainless Steel
	Sauté Pan Rack	1	Stainless Steel
	Sauté Pans	6	Silver
	Fire Alarm Pull	1	Red
	Fire Extinguisher	1	Silver
	Thermostat		N/A
	First Aid Kit	1	White /red
	White Board		White/ Glass
A1 #1 4 Shelve Rack- Top	Top- Pizza Pans	10	Silver
	Decorative Tray	1	Multi
<i>Side</i>	Ladles	Multi	Stainless Steel
	Baking Boxes		White/ Glass
<i>2nd Shelf</i>	Bowls (assorted sizes)	17	Stainless Steel
	Strainers	6	Stainless Steel
<i>3rd Shelf</i>	Buckets of cooking utensils, whisks, spatulas		Stainless Steel
	Measuring Cups	7	Glass
	Measuring Pitchers	3	
	Glass Pitchers	2	Glass
<i>4th Shelf</i>	Cutting Boards	8	Green, White, Brown
	Crock Pots	3	Black
A1 #2 4 Shelve Rack- Top	Aluminum Lids	Package	Silver
	Long Plastic Containers	5	Clear
	Long Plastic Containers Lids	5	Clear
<i>2nd Shelf</i>	Stock Pots (various sizes)	8	Silver
<i>3rd Shelf</i>	Frying pans	3	Silver
	Pots	3	Silver
	Stock Pots Lids	Multi	Silver
	Pan Rack w/ Pans	2 Pans , 1 Rack	Black / Silver
<i>4th Shelf</i>	Plastic Cambros	31	Plastic Clear
	Assorted Utensils & Gadgets	Assorted	

Restricted

A2	White Board	1	White
A2 Kitchen Overflow	Media Tower	1	Black
	Thermostat	1	N/A
B1	Volcan Ovens	4	Stainless Steel
Kitchen	Volcan Stove Tops	4	Stainless Steel
	Volcan Broiler	1	Stainless Steel
	Connected Workspace Tables	2	Stainless Steel
	1 side filled with:		
	Assorted Mason Jars	Assorted	Glass
	Vegetable Prep Sinks	2	Stainless Steel
	Sink, Soap and Towel Dispenser	1 Each	Stainless Steel
	Prep tables	2	Stainless Steel
	Sauté Pan Rack	1	Stainless Steel
	Sauté Pans	8	Silver
	Clock	1	White
	Broom Closet	2	Brown
	Thermostat		N/A
	White Board		White/ Glass
B1 #1 4 Shelve Rack- Top	Decorative Clutter	Multi	
<i>2nd Shelf</i>	Mugs	14	White
	Serving Trays	5	White
	Small Sause Containers	7	White
	Assorted Plates	8	White
<i>3rd Shelf</i>	Plates, Saucers, Bowls (various sizes)	Rack Full	White
<i>4th Shelf</i>	Silverware (knives, spoons, forks)	Tray Full	Silver
	Asian Soup Spoons (Renge)	Tray Full	Silver
	Asian Soup Spoons (Renge) w/ Hook	Tray Full	Silver
	Asian Soup Spoons	Tray Full	White / Red
	Assorted Kitchare	Various	Various
B1 #2 4 Shelve Rack- Top	Cheese Cloth Rack & Cloths	1 w/parts	Tan
<i>2nd Shelf</i>	Small Kitchen Appliances	Multi	Various
<i>3rd Shelf</i>	Bamboo Skewers	Tray Full	Tan
	Glass Bowls (various sizes)	12	Glass
<i>4th Shelf</i>	Assorted Cooking Supplies	Multi	Various
	Mat Stand	1	Silver
B2	White Board	1	White
B2 Kitchen Overflow	Cork Boards	2	Cork

Restricted

C1 / C2	4 Drawer Metal File Cabinets	2	Beige
Upstairs Kitchen Storage	Fire Extinguisher	1	Silver
	Paper Products	Various	Various
<i>(not connected)</i>	Sink w/ soap dish	1	white
	Mat Stand	1	Silver
	Rubber Matts	4	Black
	Bin of Large Mason Jars	26	Brown
	Bins of Assorted Machinery Supplies	Various	Various
	Pot Lids and Rack	6	Silver / Black
	Prep Tables	2	Stainless Steel
	Storage Tables	1	Brown
	Ladder (Tall)	1	Orange
	Dishwashing Racks	3	Green
	Dishwashing Rack Caddy	1	Green
	Champagne	72 (2 racks)	Green Racks/ Glass
	Wine	36 (1 rack)	Green Racks/ Glass
	Cork Board & White Board	2	Cork/ White
	Bookcase 5 Shelves	1	Brown
	Various Kitchen Supplies in Bins	Various	Various
	Assorted kitchen over Supplies	Various	Various
	4ft Tables	4	Brown
D	Refrigerator	1	Black
Classroom with Kitchenette	Dishwasher	1	Black
	Stove Top	1	Black
	Center Console with Cabinets (empty)	1	Grey Top/ Oak
	Sink W/ Cabinets (cleaning Supplies)	1	Oak
	Stools	3	Tan White
	TV (Sharp) w/Remote	1	Black
	Large and Medium Café Pots	2	Silver
	Paper Towel Holder	1	Black
	Side Console with Cabinets	1	Grey Top/ Oak
Cabinet D1	Assorted Dishes	Multi	White
Cabinet D2	Assorted Mason Jars	Multi	Glass
	Garbage Can	1	Silver
	White Board	1	White
	Thin 6ft Tables	6	Brown
	Clock	1	White /Black
	Thermostat	1	N/A
E	Patio Tables (w/umbrella Holes)	2	Grey/ Black
Courtyard	Patio Arm chairs (4 @ each Table)	8	Grey/ Black

Restricted

	Strands of Lights	Several / 3	N/A
F	TV- Samsung w/Remote	1	Black
Classroom with Fireplace	White Board	1	White
	Clock	1	White /Black
	Thermostat	1	N/A
G	Thermal Rite Large Walk-In Refrigerator	1	Stainless Steel
Dry Storage/ Scullery	True Large 2 Door Freezer	1	Stainless Steel
	Sanitize, Rinse , Wash Sink with Counter	1	Stainless Steel
	Drop Down Fauset	1	Stainless Steel
	Champion Large Dishwasher	1	Stainless Steel
	Ecolab Sanitizer Dispensers	3	Stainless Steel
	Sanitizer Test Station	1	Blue
	Safety Data Info Binder w/holder	1	Blue
	Wash Sink	1	Stainless Steel
	Mop Tub and Basin	1	White
	Dishwashing Racks w/ Various dishes	4	Various
	Dishwashing Racks Empty	4	Various
	Ecolab Cleaning Solution	6 Gallons	N/A
	Sink, Soap & Paper Towel Dispenser	1 each	Stainless Steel
	Brooms	3	N/A
	Thermostat	1	Beige
	NSF Storage Racks	2	Green
	Large Pans	3	Silver
	Plastic Containers	Various	Various
	Dishwashing Racks	Various	Various
	Bowls	Various	Stainless Steel
	NSF Storage Racks	2	Stainless Steel
	Top- 2 Gallon Beverage Dispensers	2	Clear
	X-Large Coffee Pot	1	Stainless Steel
	Mop Buckets	2	Yellow/Red
Office #1 <i>(near scullery)</i>	Desk (2 cabinets)	1	Chocolate Brown
	Desk	1	Oak -Brown
	Office Chair	2	Black /Grey
	Clothes Rack	1	Black
	Bookshelf (9 spaces- 2 bins)	1	White
	Bookshelf (Large 5 shelves)	1	Chocolate Brown
<i>(drawer does not close)</i>	File Cabinets (3 drawers)	1	Chocolate Brown
Office #2 <i>(left of front door)</i>	Desk	1	Chocolate Brown
	Office Chair	1	Black

Restricted

	Clothes Rack	1	Black
	High Sitting Chair	1	Black
	Office Accessories	3	Black Mesh
<i>Office 2- Closet</i>	Folding Chairs- Metal	17	Grey w/material
Office #3	Desk (2 cabinets)	1	Chocolate Brown
<i>(right of front door)</i>	Office Chair	1	Black
	Phone	1	Grey
	Office Accessories	4	Black Mesh
	Cork Board	1	Cork
	Garbage Can	1	Black
	Bench	1	Striped
Office #4	Office Chair	1	Black
<i>(across from B2)</i>	Desk with Hutch	1	Brown
	Lamp	1	Gold
	3 Drawer File Cabinet	1	Brown
	Garbage Cans	1	Black
	Cork Board	1	Cork
Office #5	3 Drawer File Cabinet	1	Brown
<i>(near back stairway)</i>	Branch (large)	1	Brown
	Cork Board	1	Cork
	Garbage Can	1	Black
	Under Desk Mats	2	1 black, 1 clear
	Large L shaped Desk	1	Brown 2 pieces
	Office Chair	1	Grey
	Wall Shelf	1	White
	Chair Regular-not office	1	Blue & White
Office #6	Desk with Hutch	1	Tan Oak
<i>(near Classroom D)</i>	Book Case with Cabinets	1	Tan Oak
	Office Chair	1	Black
	Garbage Cans	2	Black
	Phone	1	Cream
	Cork Boards	2	Cork
	Desk Mat	1	Brown
	Office Supplies	2	Silver Mesh
Bathroom – Women	Bathroom Mirror	1	Silver
	Metal Wall Self	1	Silver
	Sink	1	White

Restricted

	Soap Dispenser	1	Silver
	Paper Towel / Garbage Receptacle	1	Silver
	Large Garbage Can	1	Silver
<i>Behind Door</i>	Cabinet with 5 Shelves	1	White
	Small Square Bags	4 Stacks	Brown
	Toilet Seat Covers	16 Packs	White
	Large Rolls of Toilet Paper	2	Tan
	Bath Cleaning Supplies	4 Bottles	N/A
Bathroom – Men	Bathroom Mirror	1	Silver
	Sink	1	White
	Soap Dispenser	1	Silver
	Paper Towel / Garbage Receptacle	1	Silver
	Urinals	2	White
	Handicapped Stall- Fully Equipped	1	White
Reception Area	Reception Desk	1	Brown
	Office Chair	1	Black
	Desk Lamp	1	Silver/ Cream
	Reception Arm Chairs	1	Gray/ Blk legs
	Plant	1	Green Tall
	Garbage Can	1	Black
Mechanical Room	Electrical Boxes	3	Grey
	Lighting Control Box	1	Grey
	Furnace	1	Grey
	5ft Ladder	1	
	Tables	6	Brown
	Tables	3	Brown
	Tables	2	Brown
Hallways	Water Fountains	2	Silver
	Fire Extinguisher	1	Red
	Large Garbage Can	1	Silver
	Calendar Board	1	White
	Cork Bulletin Boards	2	Cork
<i>(Near Both Classrooms)</i>	Thermostats	2	Beige
<i>(not connected)</i>	Bay Alarm Panel	1	Beige
Furnace Closet	Furnace	1	Grey
	Folding Chairs- Metal	18	Grey w/material

Restricted

Basement - Chair Storage/ Media Room	Folding Chairs- Metal	29	Grey w/material
<i>(Below Kitchens)</i>	Tall Folding Chairs	15	Black
	Tall Folding Chairs	26	Tan
	Metal Sign	1	Black
<i>(Media Area)</i>	Desk	1	Black
	Desk Lamp	1	Brass
	Media Console Hanging w/wires	1	Black
	Media Console Flat	1	Black
	Office Chair	1	Grey
	Low Wire Rack	1	Black
	Office Accessories	Multi	Multi
	Corner Tables	1	Brown
	Mat	1	Bamboo
<i>(Storage Area)</i>	Large ceiling shade	1	white
	Box of Styrofoam Sheets	4	white
	Bin of Building plans	Multi	White Plans
	Bin of Assorted Wheels/Tools	Multi	Black Bin
	Camping Stoves	3	Blue Bin/ Black
Maintenance Area / Office Supplies	Cleaning Supplies	Various	Various
<i>(Downstairs by Back Door)</i>	Thin 6ft Tables	18	Brown
	Mops /Brooms	Multi	N/A
	4 shelve Storage	1	Brown
<i>(copy room)</i>	Tall Metal Cabinet- Office Supplies	1	Putty
	Table (holding Slot holder)	1	Brown
	Mail Slots Holder	1	Brown
	Office Desk Accessories	Various	Clear/ Black
	2 Door Cabinet- Copy Paper	Stacks	Brown
	Desk	1	Brown
	Boxes(Assorted Sizes)	Many	Brown
	Garbage Can	1	Black
<i>(Storage)</i>	Paint	6 cans	Various
	Paint Supplies	Various	Various
	Nails and Screws	Multi	Various
	Putty	3 tubes	White
	Light Bulbs	6	White
	Box of assorted lights	Multi	N/A
	Florescent Light bulb Tables	5	White

EXHIBIT B

SPECIAL WARRANTY BILL OF SALE

For Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, INSTITUTE FOR EDUCATIONAL THERAPY, a California non-profit public benefit corporation (“Tenant”), hereby conveys to the CITY OF BERKELEY, a California municipal corporation (“Landlord”), all of its right, title and interest in the Inventory and Equipment as more particularly described in that certain Lease Termination Agreement dated effective as of August 31, 2022, by and between Landlord and Tenant (“Agreement”). Each of the Inventory and Equipment is sold "AS IS", where is, and with all faults. TENANT EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES OF ANY KIND OR NATURE, WHETHER EXPRESS, IMPLIED OR STATUTORY, RELATING TO OR ARISING FROM THE INVENTORY OR EQUIPMENT, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. TENANT SHALL NOT BE LIABLE FOR ANY LOST PROFITS, LOST SAVINGS OR ANY OTHER INCIDENTAL, INDIRECT, PUNITIVE, OR CONSEQUENTIAL DAMAGES UNDER, ARISING FROM, OR CONNECTED WITH THIS BILL OF SALE EVEN IF ADVISED OR AWARE OF THE POSSIBILITY OF SUCH DAMAGES. TENANT EXPRESSLY DISCLAIMS ANY AND ALL LIABILITIES WITH RESPECT TO THE CONDITION, SAFETY, OPERATION, AND FITNESS FOR USE OF THE INVENTORY OR EQUIPMENT, AND LANDLORD HEREBY ACKNOWLEDGES THAT TENANT SHALL NOT BE RESPONSIBLE FOR ANY LOSSES, DAMAGES, ACCIDENT OR INJURIES, WHETHER PHYSICAL OR OTHERWISE ARISING FROM OPERATION, POSSESSION, OR ANY USE OF THE INVENTORY OR EQUIPMENT. UPON TRANSFER OF THE INVENTORY AND EQUIPMENT HEREUNDER, THE PARTIES AGREE THAT LANDLORD SHALL BE SOLELY RESPONSIBLE FOR ANY ADVERSE CONSEQUENCES ARISING FROM POSSESSION, OPERATION, OR ANY USE OF THE INVENTORY OR EQUIPMENT.

[Signatures follow on next page]

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IN WITNESS WHEREOF, this Special Warranty Bill of Sale is made as of the Effective Date:

LANDLORD:
CITY OF BERKELEY, a California
municipal corporation and charter city
corporation d/b/a Bauman Wellness

TENANT:
INSTITUTE FOR EDUCATIONAL
THERAPY, a California non-profit public benefit

By: _____
Dee Williams-Ridley
Its: City Manager
Date: _____

By: _____
Dr. Edward Bauman
Its: Chief Executive Officer
Date: _____

APPROVED AS TO FORM:

Farimah F. Brown, City Attorney

ATTEST:

, Deputy City Clerk

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EXHIBIT A

Location	Asset /Item(s) Description	Quantity	Color
A1	Volcan Ovens	4	Stainless Steel
Kitchen	Volcan Stove Tops	4	Stainless Steel
	Volcan Broiler	1	Stainless Steel
<i>(Each side of Volcan)</i>	Connected Workspace Tables	2	Stainless Steel
	1 side filled with:		
	Mugs, Saucers, Plates, Bowls Glasses	Assorted	White/ Glass
	Vegetable Prep Sinks	2	Stainless Steel
	Sink, Soap and Towel Dispenser	1 Each	Stainless Steel
	Prep tables	2	Stainless Steel
	Sauté Pan Rack	1	Stainless Steel
	Sauté Pans	6	Silver
	Fire Alarm Pull	1	Red
	Fire Extinguisher	1	Silver
	Thermostat		N/A
	First Aid Kit	1	White /red
	White Board		White/ Glass
A1 #1 4 Shelve Rack- Top	Top- Pizza Pans	10	Silver
	Decorative Tray	1	Multi
<i>Side</i>	Ladles	Multi	Stainless Steel
	Baking Boxes		White/ Glass
<i>2nd Shelf</i>	Bowls (assorted sizes)	17	Stainless Steel
	Strainers	6	Stainless Steel
<i>3rd Shelf</i>	Buckets of cooking utensils, whisks, spatulas		Stainless Steel
	Measuring Cups	7	Glass
	Measuring Pitchers	3	
	Glass Pitchers	2	Glass
<i>4th Shelf</i>	Cutting Boards	8	Green, White, Brown
	Crock Pots	3	Black
A1 #2 4 Shelve Rack- Top	Aluminum Lids	Package	Silver
	Long Plastic Containers	5	Clear
	Long Plastic Containers Lids	5	Clear
<i>2nd Shelf</i>	Stock Pots (various sizes)	8	Silver
<i>3rd Shelf</i>	Frying pans	3	Silver
	Pots	3	Silver
	Stock Pots Lids	Multi	Silver
	Pan Rack w/ Pans	2 Pans , 1 Rack	Black / Silver
<i>4th Shelf</i>	Plastic Cambros	31	Plastic Clear
	Assorted Utensils & Gadgets	Assorted	

Restricted

A2	White Board	1	White
A2 Kitchen Overflow	Media Tower	1	Black
	Thermostat	1	N/A
B1	Volcan Ovens	4	Stainless Steel
Kitchen	Volcan Stove Tops	4	Stainless Steel
	Volcan Broiler	1	Stainless Steel
	Connected Workspace Tables	2	Stainless Steel
	1 side filled with:		
	Assorted Mason Jars	Assorted	Glass
	Vegetable Prep Sinks	2	Stainless Steel
	Sink, Soap and Towel Dispenser	1 Each	Stainless Steel
	Prep tables	2	Stainless Steel
	Sauté Pan Rack	1	Stainless Steel
	Sauté Pans	8	Silver
	Clock	1	White
	Broom Closet	2	Brown
	Thermostat		N/A
	White Board		White/ Glass
B1 #1 4 Shelve Rack- Top	Decorative Clutter	Multi	
<i>2nd Shelf</i>	Mugs	14	White
	Serving Trays	5	White
	Small Sause Containers	7	White
	Assorted Plates	8	White
<i>3rd Shelf</i>	Plates, Saucers, Bowls (various sizes)	Rack Full	White
<i>4th Shelf</i>	Silverware (knives, spoons, forks)	Tray Full	Silver
	Asian Soup Spoons (Renge)	Tray Full	Silver
	Asian Soup Spoons (Renge) w/ Hook	Tray Full	Silver
	Asian Soup Spoons	Tray Full	White / Red
	Assorted Kitchare	Various	Various
B1 #2 4 Shelve Rack- Top	Cheese Cloth Rack & Cloths	1 w/parts	Tan
<i>2nd Shelf</i>	Small Kitchen Appliances	Multi	Various
<i>3rd Shelf</i>	Bamboo Skewers	Tray Full	Tan
	Glass Bowls (various sizes)	12	Glass
<i>4th Shelf</i>	Assorted Cooking Supplies	Multi	Various
	Mat Stand	1	Silver
B2	White Board	1	White
B2 Kitchen Overflow	Cork Boards	2	Cork

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C1 / C2	4 Drawer Metal File Cabinets	2	Beige
Upstairs Kitchen Storage	Fire Extinguisher	1	Silver
	Paper Products	Various	Various
<i>(not connected)</i>	Sink w/ soap dish	1	white
	Mat Stand	1	Silver
	Rubber Matts	4	Black
	Bin of Large Mason Jars	26	Brown
	Bins of Assorted Machinery Supplies	Various	Various
	Pot Lids and Rack	6	Silver / Black
	Prep Tables	2	Stainless Steel
	Storage Tables	1	Brown
	Ladder (Tall)	1	Orange
	Dishwashing Racks	3	Green
	Dishwashing Rack Caddy	1	Green
	Champagne	72 (2 racks)	Green Racks/ Glass
	Wine	36 (1 rack)	Green Racks/ Glass
	Cork Board & White Board	2	Cork/ White
	Bookcase 5 Shelves	1	Brown
	Various Kitchen Supplies in Bins	Various	Various
	Assorted kitchen over Supplies	Various	Various
	4ft Tables	4	Brown
D	Refrigerator	1	Black
Classroom with Kitchenette	Dishwasher	1	Black
	Stove Top	1	Black
	Center Console with Cabinets (empty)	1	Grey Top/ Oak
	Sink W/ Cabinets (cleaning Supplies)	1	Oak
	Stools	3	Tan White
	TV (Sharp) w/Remote	1	Black
	Large and Medium Café Pots	2	Silver
	Paper Towel Holder	1	Black
	Side Console with Cabinets	1	Grey Top/ Oak
Cabinet D1	Assorted Dishes	Multi	White
Cabinet D2	Assorted Mason Jars	Multi	Glass
	Garbage Can	1	Silver
	White Board	1	White
	Thin 6ft Tables	6	Brown
	Clock	1	White /Black
	Thermostat	1	N/A
E	Patio Tables (w/umbrella Holes)	2	Grey/ Black
Courtyard	Patio Arm chairs (4 @ each Table)	8	Grey/ Black

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	Strands of Lights	Several / 3	N/A
F	TV- Samsung w/Remote	1	Black
Classroom with Fireplace	White Board	1	White
	Clock	1	White /Black
	Thermostat	1	N/A
G	Thermal Rite Large Walk-In Refrigerator	1	Stainless Steel
Dry Storage/ Scullery	True Large 2 Door Freezer	1	Stainless Steel
	Sanitize, Rinse , Wash Sink with Counter	1	Stainless Steel
	Drop Down Fauset	1	Stainless Steel
	Champion Large Dishwasher	1	Stainless Steel
	Ecolab Sanitizer Dispensers	3	Stainless Steel
	Sanitizer Test Station	1	Blue
	Safety Data Info Binder w/holder	1	Blue
	Wash Sink	1	Stainless Steel
	Mop Tub and Basin	1	White
	Dishwashing Racks w/ Various dishes	4	Various
	Dishwashing Racks Empty	4	Various
	Ecolab Cleaning Solution	6 Gallons	N/A
	Sink, Soap & Paper Towel Dispenser	1 each	Stainless Steel
	Brooms	3	N/A
	Thermostat	1	Beige
	NSF Storage Racks	2	Green
	Large Pans	3	Silver
	Plastic Containers	Various	Various
	Dishwashing Racks	Various	Various
	Bowls	Various	Stainless Steel
	NSF Storage Racks	2	Stainless Steel
	Top- 2 Gallon Beverage Dispensers	2	Clear
	X-Large Coffee Pot	1	Stainless Steel
	Mop Buckets	2	Yellow/Red
Office #1 <i>(near scullery)</i>	Desk (2 cabinets)	1	Chocolate Brown
	Desk	1	Oak -Brown
	Office Chair	2	Black /Grey
	Clothes Rack	1	Black
	Bookshelf (9 spaces- 2 bins)	1	White
	Bookshelf (Large 5 shelves)	1	Chocolate Brown
<i>(drawer does not close)</i>	File Cabinets (3 drawers)	1	Chocolate Brown
Office #2 <i>(left of front door)</i>	Desk	1	Chocolate Brown
	Office Chair	1	Black

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	Clothes Rack	1	Black
	High Sitting Chair	1	Black
	Office Accessories	3	Black Mesh
<i>Office 2- Closet</i>	Folding Chairs- Metal	17	Grey w/material
Office #3	Desk (2 cabinets)	1	Chocolate Brown
<i>(right of front door)</i>	Office Chair	1	Black
	Phone	1	Grey
	Office Accessories	4	Black Mesh
	Cork Board	1	Cork
	Garbage Can	1	Black
	Bench	1	Striped
Office #4	Office Chair	1	Black
<i>(across from B2)</i>	Desk with Hutch	1	Brown
	Lamp	1	Gold
	3 Drawer File Cabinet	1	Brown
	Garbage Cans	1	Black
	Cork Board	1	Cork
Office #5	3 Drawer File Cabinet	1	Brown
<i>(near back stairway)</i>	Branch (large)	1	Brown
	Cork Board	1	Cork
	Garbage Can	1	Black
	Under Desk Mats	2	1 black, 1 clear
	Large L shaped Desk	1	Brown 2 pieces
	Office Chair	1	Grey
	Wall Shelf	1	White
	Chair Regular-not office	1	Blue & White
Office #6	Desk with Hutch	1	Tan Oak
<i>(near Classroom D)</i>	Book Case with Cabinets	1	Tan Oak
	Office Chair	1	Black
	Garbage Cans	2	Black
	Phone	1	Cream
	Cork Boards	2	Cork
	Desk Mat	1	Brown
	Office Supplies	2	Silver Mesh
Bathroom – Women	Bathroom Mirror	1	Silver
	Metal Wall Self	1	Silver
	Sink	1	White

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	Soap Dispenser	1	Silver
	Paper Towel / Garbage Receptacle	1	Silver
	Large Garbage Can	1	Silver
<i>Behind Door</i>	Cabinet with 5 Shelves	1	White
	Small Square Bags	4 Stacks	Brown
	Toilet Seat Covers	16 Packs	White
	Large Rolls of Toilet Paper	2	Tan
	Bath Cleaning Supplies	4 Bottles	N/A
Bathroom – Men	Bathroom Mirror	1	Silver
	Sink	1	White
	Soap Dispenser	1	Silver
	Paper Towel / Garbage Receptacle	1	Silver
	Urinals	2	White
	Handicapped Stall- Fully Equipped	1	White
Reception Area	Reception Desk	1	Brown
	Office Chair	1	Black
	Desk Lamp	1	Silver/ Cream
	Reception Arm Chairs	1	Gray/ Blk legs
	Plant	1	Green Tall
	Garbage Can	1	Black
Mechanical Room	Electrical Boxes	3	Grey
	Lighting Control Box	1	Grey
	Furnace	1	Grey
	5ft Ladder	1	
	Tables	6	Brown
	Tables	3	Brown
	Tables	2	Brown
Hallways	Water Fountains	2	Silver
	Fire Extinguisher	1	Red
	Large Garbage Can	1	Silver
	Calendar Board	1	White
	Cork Bulletin Boards	2	Cork
<i>(Near Both Classrooms)</i>	Thermostats	2	Beige
<i>(not connected)</i>	Bay Alarm Panel	1	Beige
Furnace Closet	Furnace	1	Grey
	Folding Chairs- Metal	18	Grey w/material

Restricted

Basement - Chair Storage/ Media Room	Folding Chairs- Metal	29	Grey w/material
<i>(Below Kitchens)</i>	Tall Folding Chairs	15	Black
	Tall Folding Chairs	26	Tan
	Metal Sign	1	Black
<i>(Media Area)</i>	Desk	1	Black
	Desk Lamp	1	Brass
	Media Console Hanging w/wires	1	Black
	Media Console Flat	1	Black
	Office Chair	1	Grey
	Low Wire Rack	1	Black
	Office Accessories	Multi	Multi
	Corner Tables	1	Brown
	Mat	1	Bamboo
<i>(Storage Area)</i>	Large ceiling shade	1	white
	Box of Styrofoam Sheets	4	white
	Bin of Building plans	Multi	White Plans
	Bin of Assorted Wheels/Tools	Multi	Black Bin
	Camping Stoves	3	Blue Bin/ Black
Maintenance Area / Office Supplies	Cleaning Supplies	Various	Various
<i>(Downstairs by Back Door)</i>	Thin 6ft Tables	18	Brown
	Mops /Brooms	Multi	N/A
	4 shelve Storage	1	Brown
<i>(copy room)</i>	Tall Metal Cabinet- Office Supplies	1	Putty
	Table (holding Slot holder)	1	Brown
	Mail Slots Holder	1	Brown
	Office Desk Accessories	Various	Clear/ Black
	2 Door Cabinet- Copy Paper	Stacks	Brown
	Desk	1	Brown
	Boxes(Assorted Sizes)	Many	Brown
	Garbage Can	1	Black
<i>(Storage)</i>	Paint	6 cans	Various
	Paint Supplies	Various	Various
	Nails and Screws	Multi	Various
	Putty	3 tubes	White
	Light Bulbs	6	White
	Box of assorted lights	Multi	N/A
	Florescent Light bulb Tables	5	White

