



November 19, 2018

Ms. Loyal Nawfal  
Associate Planner  
Department of Planning & Development  
City of Berkeley  
1947 Center Street, 3<sup>rd</sup> Floor  
Berkeley, CA 94704

**RE: 2621 Tenth Street / 1050 Parker Street, Berkeley, California ("Project")  
Use Permit #ZP2018-0117 for the Modification of Use Permit #ZP2016-0170**

Dear Ms. Nawfal:

This letter will serve as Applicant's response to the question asked at the Zoning Adjustment Board ("ZAB") meeting of October 25, 2018 about possible assistance that the Landlord would provide to the four tenants at the Pardee Block that are currently leasing space in structures that will be removed in order to construct the parking lot that will accommodate the additional parking requirements of the 2621 Tenth Street Medical Office Building.

In addition to the ZAB meeting of October 25, 2018, the fact that buildings would need to be removed to create a parking lot on the Pardee block was discussed at three noticed meetings: the Planning Commission meeting on April 18, 2018, a project community information meeting on May 30, 2018, and the Landmarks Preservation Committee meeting on July 5, 2018.

The four businesses leasing space in the structures are:

Roche Motorsport  
Mobility Systems  
Commercial Titan Wraps  
Berkeley Smog Test Only

The executed lease documents for each of these four tenants contain clear and unambiguous language granting the Landlord the right to terminate each lease with a stipulated early termination notice period. That early termination notice period is a minimum of 120 days for three of the leases and exactly 180 days for the fourth lease.

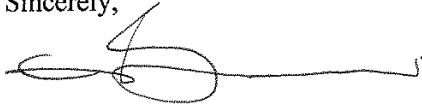
The three tenants with leases that require a minimum of 120 days' notice have been given 220 days' notice (i.e., an additional 100 days) of their early lease termination date of June 30, 2019. The leases for Roche Motorsport and Mobility Systems (which together comprise over 70% of the total area leased by the four tenants) both had expiration dates of October 31, 2019 with no renewal options. The impact of the early termination notices on these two tenants is to bring their expiration dates forward by four months.

In addition to providing notice periods well beyond the minimum periods stipulated in the leases, the Landlord has also provided each tenant with the right to terminate its lease at any time between the date of the early termination notice and the early termination date set forth in the notice, upon 30 days' prior written notice to the Landlord. This earlier termination right will allow tenants to find other space and relocate prior to June 30, 2019, thereby avoiding the cost of having to pay rent in two locations.

In the case of three of the tenants, their lease documents containing the Landlord's early termination rights were executed in the last 24 months. In the case of the fourth tenant, the early termination language has been in the lease since December 2008 and is specifically referenced in four subsequent amendments to that lease, the last of which was executed in January 2015.

Please do not hesitate to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to be 'Chris Barlow', with a long horizontal line extending to the right.

Chris Barlow  
Wareham Development