

DA 2231



Nicholas B. Dirks
CHANCELLOR
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March 26, 2015

Vice Chancellor Harry Le Grande:

Re: Delegation of Authority 2231 – Negotiation, Approval and Execution of University-Related Real Property Rental Agreements (Leases)

In accordance with authority delegated to Chancellors by President Yudof on September 3, 2009 (http://policy.ucop.edu/_files/da/da2231.pdf), I am redelegating to you, in your role as Vice Chancellor, Student Affairs, the authority to negotiate, approve, and execute Rental Agreements related to Lower Sproul.

These agreements are subject to the following limitations:

1. The term of the Rental Agreement does not exceed 10 years, including options granted by the University as lessor;
2. The Rental Agreement (1) is on a University standard form without material modifications, or (2) consideration for the initial year does not exceed \$500,000 and has been reviewed by campus counsel, or (3) consideration for the initial year exceeds \$500,000 and the Rental Agreement form has been reviewed and approved by the Office of General Counsel (OGC);
3. The indemnity and insurance provisions of the Rental Agreement have been approved by the campus risk manager.

Further limitations are included in President Yudof's letter, which is attached.

This delegation may not be re-delegated.

Please contact the Delegations Office at risk@berkeley.edu with any concerns or questions you may have regarding this delegation of authority.

All best,

Nicholas Dirks

Cc: Robert Lalanne, Vice Chancellor, Real Estate
John Wilton, Vice Chancellor, Administration and Finance
Chris Patti, Chief Campus Counsel
Barbara VanCleave Smith, Deputy Chief Ethics, Risk and Compliance Officer



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September 3, 2009

CHANCELLORS

INTERIM DIRECTOR – LAWRENCE BERKELEY NATIONAL LABORATORY
VICE PRESIDENT – AGRICULTURE AND NATURAL RESOURCES

Delegation of Authority – Negotiation, Approval, and Execution of University-Related Real Property Rental Agreements (Leases)

Standing Orders of The Regents 100.4 (cc) and (ff) authorize the President to negotiate, approve and execute contracts, real property rental agreements, and other documents for the use of facilities for University-related purposes (Rental Agreements).

Effective immediately, subject to the Standing Orders and to policies, procedures and guidelines which may be established by the Office of the President (including the UC Lease Administration Manual and applicable Business and Finance Bulletins), you are delegated authority to negotiate, and within the following parameters, to approve and to execute, Rental Agreements (including subleases and excluding ground leases) subject to the following limitations:

1. The term of the Rental Agreement does not exceed 10 years, regardless of rent amount, excluding options when the University is the lessee, but including options granted by the University as lessor;
2. The Rental Agreement (1) is on a University standard form without material modifications, or (2) consideration for the initial year does not exceed \$500,000, or (3) consideration for the initial year exceeds \$500,000 and the Rental Agreement form has been reviewed and approved by the Office of General Counsel (OGC);
3. The Rental Agreement is not a capital lease, or a lease-purchase or similar transaction by which the University will ultimately take title to the property;
4. The Rental Agreement does not involve the assumption by the University of liability for the conduct of persons other than University officers, agents, employees, students, invitees, and guests, except that this restriction does not apply if, under the Rental Agreement, the University assumes responsibility for liability resulting from the condition of leased property that the University is obliged to maintain [(Standing Order 100.4(dd)(9)] or as otherwise authorized by The Regents;
5. The indemnity and insurance provisions of the Rental Agreement have been approved by the campus risk manager;

6. The Office of the President Real Estate Services Group (RESG) and OGC must review and approve first right of offer or refusal or any purchase option language, if included in a Rental Agreement; and
7. The campus lease practitioner shall complete and retain in the official lease file the attached checklist for Rental Agreements prepared pursuant to this delegated authority ("Lease/License Checklist"). The campus lease practitioner shall also send a copy of each fully executed Lease/License Checklist to RESG.

In cases in which the University is the tenant, you are delegated authority to exercise any option to extend the term of a Rental Agreement (Extension Option), provided that the terms of the option conform to the conditions set forth in paragraphs 1 through 6, above. An Extension Option is deemed to be a new Rental Agreement for purposes of determining whether the term of the option falls within your delegated authority. Exercise of Extension Options shall be executed on a form of lease amendment or other document approved by the OGC. The exercise of options in Rental Agreements approved by The Regents shall be governed by the terms of that approval.


You are further delegated the authority to approve and execute ancillary documents, amendments or other modifications to a Rental Agreement consistent with the authority granted herein. Real property Rental Agreements, ancillary documents and amendments that do not meet the conditions set out in this delegation must be submitted for approval and execution in accordance with the Standing Orders of The Regents.

RESG and OGC are available to consult on real property rental agreement negotiation, documentation matters and capital lease evaluations. Each campus shall be the office of record for original executed Rental Agreements and amendments thereto executed pursuant to this delegation.

Annually, by July 31st, you shall certify and submit to RESG a report listing each Rental Agreement approved and executed pursuant to this delegated authority during the preceding fiscal year, including total leased space, total cost of leased space and average cost/square foot, and attest that all terms referenced in this delegation and the attached Lease/License Checklist have been satisfied.

The authority provided by this delegation is broad and should be exercised with discretion. Therefore, redelegation should be limited to appropriate levels of authority. Any redelegation shall be in writing with a copy to the Associate Vice President – Capital Resources Management.

This delegation supersedes Delegation of Authority 2140 issued on November 3, 2003 to Chancellors, Laboratory Directors, and the Vice President--Agriculture and Natural Resources on this same subject.


Mark G. Yudof
President

Attachment

cc: Members, President's Cabinet
Principal Officers of The Regents
General Counsel and Vice President for Legal Affairs
Vice President – Budget and Capital Resources
Associate Vice President – Capital Resources Management
Universitywide Policy Office