

[Lease of Real Property]

Resolution authorizing a new lease of real property at 2712 Mission Street on behalf of the Department of Public Health, Community Mental Health Services.

RESOLVED, That in accordance with the recommendation of the Director of the Department of Public Health, the Director of Property on behalf of the City and County of San Francisco, as Tenant, is hereby authorized to execute a written lease substantially in the form on file with the Clerk of the Board of Supervisors in File No. 011425 with 2712 Mission Partners, L. P., as Landlord, for the entire premises located at 2712 Mission Street, San Francisco, California, comprising a total area of approximately 32,000 rentable square feet and otherwise on the terms and conditions contained herein; and, be it

FURTHER RESOLVED, That the term of this lease shall begin on upon substantial completion of the improvements (Expected to be October 1, 2001), expiring on September 30, 2011 (Approximately ten years) and containing three options, each to extend for an additional five year term at ninety five percent of the then fair market value; and, be it

FURTHER RESOLVED, That the base rent will be \$90,933.33 per month (\$2.84 per square foot per month) for the first twenty four months with adjustments scheduled on October 1 of the projected second, fourth, sixth and eighth years of the term. The adjustment will reflect any percentage increase of the Consumer Price Index for All Urban Consumers for the San Francisco-Oakland-San Jose area, published by The United States Department of

1 Labor, Bureau of Statistics, for the preceding two-year period. In no event will any increase
2 be more than 10 percent of the base rent in effect at the time of the adjustment; and, be it

3 FURTHER RESOLVED, That the City shall be responsible for the property operating
4 costs including utilities, janitorial services and products, security and alarm services, disposal
5 services, maintenance and repair of the premises; and, be it

6 FURTHER RESOLVED, That the City has an Option to Purchase the Property at
7 \$11,500,000 by exercising its Option within eighteen months of the date of Lease execution.
8 In the event City does not exercise its option to purchase the building within the first eighteen
9 months of the option period, City shall then have the option to purchase the building for
10 \$12,000,000 prior to January 1, 2004. The exercise of the Option to Purchase shall be
11 subject to authorizing Legislation by the Board of Supervisors and the Mayor; and, be it

12 FURTHER RESOLVED, That the Lease shall include a clause (substantially in the
13 form on file with the Clerk of the Board of Supervisors and approved by the Director of
14 Property and the City Attorney) indemnifying and holding harmless the Landlord from, and
15 agreeing to defend the Landlord against, any and all claims, costs and losses, including
16 without limitation, reasonable attorneys' fees, incurred as a result of City's use of the
17 premises, any default by the City in the performance of any of its obligations under the
18 Lease, or any acts or omissions of City, its agents or its invitees in, on or about the premises
19 or the property on which the premises are located; and, be it

20 FURTHER RESOLVED, That the Director of Property be authorized to enter into any
21 additions, amendments or other modifications to the Lease (including, without limitation, the
22



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails

Resolution

File Number: 011425

Date Passed:

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August 27, 2001 Board of Supervisors — AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

August 27, 2001 Board of Supervisors — ADOPTED AS AMENDED

Ayes: 10 - Ammiano, Daly, Gonzalez, Hall, Leno, Maxwell, McGoldrick, Peskin, Sandoval, Yee

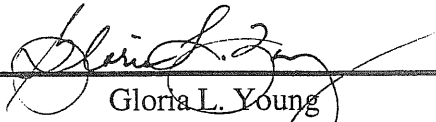
Absent: 1 - Newsom

File No. 011425

I hereby certify that the foregoing Resolution was ADOPTED AS AMENDED on August 27, 2001 by the Board of Supervisors of the City and County of San Francisco.

AUG 31 2001

Date Approved


Gloria L. Young
Clerk of the Board


Mayor Willie L. Brown Jr.