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[Lease of Real Property - 1421 Broderick Street]

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Resolution authorizing the exercise of a ten year option to extend the lease of the 12,417 square foot building located at 1421 Broderick Street for the Department of Public Health.

WHEREAS, The City and Seto Associates, fka/the Seto Family Trust, executed the ten year Master Lease dated 2/1/2001, authorized by Resolution 83-01 for the Premises at 1421 Broderick Street comprising 12,417 square feet commonly known as 1421 Broderick Street in San Francisco; and

WHEREAS, The Premises contain a 33 bed, licensed residential care facility receiving most of its referrals from the San Francisco General and Laguna Honda Hospitals. All residents require the level of treatment care from a licensed Adult Residential Facility setting, but not a Skilled Nursing Facility level setting; and

WHEREAS, Such Lease is due to expire on February 15, 2011, and contains an option to extend the term for ten years on the same terms and conditions except that the Base Monthly Rental is to be adjusted to \$12,914.27, being the fair market rental for the premises; and

WHEREAS, Such terms for the option are subject to enactment of a resolution by the Board of Supervisors and Mayor, in their respective sole and absolute discretion, approving and authorizing such exercise; now, therefore, be it

RESOLVED, That in accordance with the recommendation of the Director of Health and the Director of Property, the Director of Property is hereby authorized to take all actions in behalf of the City and County of San Francisco, as Lessee, to extend the Master Lease for the building commonly known as 1421 Broderick Street, a copy of which is included in

Board of Supervisors File No. <u>110168</u> on the terms and conditions set forth, and on a form approved by the City Attorney; and be it

FURTHER RESOLVED, That the Master Lease extension shall be for a term of ten years at a base monthly rental of \$12,914.27, or \$1.04 per square foot in addition to utility and janitorial services; and be it

FURTHER RESOLVED, That the Master Lease shall continue to include the clause indemnifying, holding harmless, and defending Lessor and its agents from and against any and all claims, costs and expenses, including without limitation, reasonable attorney fees incurred as a result of any default by the City in the performance of any of its material obligations under the Master Lease, or any negligent acts or omissions of the City, or its agents, in, on or about the Premises or the property on which the Premises are located, including those claims, costs and expenses incurred as a result of the negligence or willful misconduct of the Lessor or its agents; and be it

FURTHER RESOLVED, That any action taken by the Director of Property and other relevant officers of the City with respect to the exercise of the option under the Master Lease as set forth herein is hereby ratified and affirmed; and be it

FURTHER RESOLVED, That the Director of Property be authorized to enter into any additions, amendments or other modifications to the Master Lease agreement (including without limitation, the exhibits) that the Director of Property determines, in consultation with the Director of the Department of Public Health and the City Attorney, are in the best interests of the City, do not materially increase the obligations or liabilities of the City, and are necessary or advisable to complete the transaction contemplated in the Master Lease and effectuate the purpose and intent of this resolution, such determination to be conclusively evidenced by the execution and delivery by the Director of Property of any amendments thereto; and be it

FURTHER RESOLVED, That said Master Lease shall be subject to certification of funds by the Controller pursuant to Section 6.302 of the Charter,

RECOMMENDED:

Barbara Garcia, Director

Department of Public Health

John Updike

Acting Director of Property

\$58,114.22 Available

Appropriation No. HCHSHHOUSGGF





City and County of San Francisco **Tails**

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

Resolution

File Number:

110168

Date Passed: March 15, 2011

Resolution authorizing the exercise of a ten year option to extend the lease of the 12,417 square foot building located at 1421 Broderick Street for the Department of Public Health.

March 09, 2011 Budget and Finance Sub-Committee - AMENDED

March 09, 2011 Budget and Finance Sub-Committee - RECOMMENDED AS AMENDED

March 15, 2011 Board of Supervisors - ADOPTED

Ayes: 8 - Avalos, Chiu, Chu, Elsbernd, Farrell, Kim, Mar and Wiener Excused: 3 - Campos, Cohen and Mirkarimi

File No. 110168

I hereby certify that the foregoing Resolution was ADOPTED on 3/15/2011 by the Board of Supervisors of the City and County of San Francisco.

> **Angela Calvillo** Clerk of the Board

Mayor Edwin Lee