[Real Property Lease - Mercy Commercial California - 1360 Mission Street]

Resolution authorizing the lease <u>with Mercy Commercial California for property</u> <u>located at of 1360 Mission Street, Suite 401 for the Department of Public Health.</u>

WHEREAS, The Department of Public Health has occupied the 6,300 square foot premises located at 1360 Mission Street, Suite 401, since 1992 and currently operates its STD Program Administrative Headquarters at the site; and

WHEREAS, The Real Estate Division at the request of the Department of Public Health negotiated the renewal of the Lease at 1360 Mission Street, Suite 401, with Mercy Commercial California, a California nonprofit public benefit corporation, for a five-year term commencing upon approval by the Board of Supervisors and Mayor, which includes one two-year option term; and

WHEREAS, The monthly fair market rent for the initial term shall be \$11,072.25 (\$1.75 per square foot), fully serviced, subject to annual Consumer Price Index adjustments of no less than 2% and no more than 5%, with rent for the two-year option term at 95% of the prevailing fair market rent; now, therefore, be it

RESOLVED, That the Lease renewal for 1360 Mission Street, Suite 401, with Mercy Commercial California, a California nonprofit public benefit corporation, shall 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 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,

excluding 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 the Director of Property be authorized to enter into any additions, amendments or other modifications to the 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 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 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

\$121,794.75 Available

Appropriation No. HCHPDSTDSVGF

Controller

REAL ESTATE
BOARD OF SUPERVISORS



City and County of San Francisco **Tails**

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

Resolution

File Number:

110778

Date Passed: September 20, 2011

Resolution authorizing the lease with Mercy Commercial California for property located at of 1360 Mission Street, Suite 401, for the Department of Public Health.

September 14, 2011 Budget and Finance Committee - RECOMMENDED

September 20, 2011 Board of Supervisors - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi and Wiener

September 20, 2011 Board of Supervisors - ADOPTED AS AMENDED

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi and Wiener

File No. 110778

I hereby certify that the foregoing Resolution was ADOPTED AS AMENDED on 9/20/2011 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

Mayor Edwin L

9/24/2011

Date Approved