FILE NO. 130701

RESOLUTION NO. 322-13

[Real Property Lease Renewal - 3801-3rd Street, Suite 400 - Bayview Plaza, LLC, - \$38,545 Monthly]

Resolution retroactively authorizing the renewal lease for approximately 14,825 square feet of space at 3801-3rd Street, Suite 400, San Francisco, with Bayview Plaza, LLC, as Landlord, for use by the Department of Public Health at the monthly cost of \$38,545 for the period of July 1, 2013, through June 30, 2018.

WHEREAS, The Department of Public Health has occupied the 14,825 square foot premises at 3801-3rd Street, Suite 400, since 1998, and currently operates its Foster Care, Child Crisis and Crisis Response Team programs 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 3801-3rd Street, Suite 400, for a 5-year term commencing July 1, 2013 upon the expiration of the existing lease on June 30, 2013, with one additional 4-year option term at 95% of the prevailing market rent, subject to approval by the Board of Supervisors and Mayor in their sole and absolute discretion; and

WHEREAS, The fully serviced, fair market rent for the initial term shall be \$38,545 (\$2.60 per sq. ft.) subject to annual Consumer Price Index adjustments of no less than 2% and no more than 5%; and

WHEREAS, The Landlord at its sole cost shall install new floor covering at an estimated amount of \$60,000 and City shall be responsible for furniture moving expenses at an estimated amount of \$25,000; now, therefore, be it

RESOLVED, That the Board of Supervisors authorizes the Director of Property to take all actions, on behalf of the City, to enter into any amendments or modifications (including without limitation, the exhibits) to the Lease on the terms and conditions herein and form approved by the City Attorney that the Director of Property determines, in consultation with the City Attorney are in the best interest of the City, do not increase the rent or otherwise materially increase the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes of the Lease or this resolution, and are in compliance with all applicable laws, including City's Charter; and, be it

FURTHER RESOLVED, That the fully serviced, fair market monthly rent for the initial five year term shall be \$38,545 (\$2.60 per sq. ft.), subject to annual Consumer Price Index adjustments of no less than 2% and no more than 5%; and, be it

FURTHER RESOLVED, That the City agrees to indemnify, defend, and hold harmless Landlord and its agents from and against any and all claims, costs, and expenses, including, without limitation, reasonable attorneys fees, incurred as a result of (a) City's use of the Premises, (b) any default by City in the performance of any of its obligations under the Lease, or (c) any negligent acts or omissions of City or its agents, in, on, or about the Premises or the property, provided, however, City shall not be obligated to indemnify Landlord or its agents to the extent any claim arises out of the negligence of willful misconduct of Landlord or its agents; and, be it

FURTHER RESOLVED, That any action taken by any City employee or official with respect to the exercise of the Lease as set forth herein is hereby ratified and affirmed; and, be it

FURTHER RESOLVED, That City shall occupy the Premises as described in the Lease for a 5-year term commencing on July 1, 2013 with one additional 4-year option term at 95% of the prevailing market rent, subject to approval by the Board of Supervisors and Mayor in their sole and absolute discretion unless funds for rental payments are not appropriated in any subsequent fiscal year, at which time City may terminate the Lease with written notice to Landlord pursuant to Section 3.105 of the Charter of the City and County of San Francisco.

REAL ESTATE BOARD OF SUPERVISORS

| 1 | RECOMMENDED: |
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| 2 | |
| 3 | \$462,540 Available for FY 2013-2014 Appropriation No: HMHMCB731943 |
| 4 | 23An |
| 5 | Controller, availability of funds subject to the enactment of the |
| 6 | FY 2013-2014 annual appropriation ordinance. |
| 7 | |
| 8 | Director & Property |
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| 10 | Director Department of Public Health |
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| | REAL ESTATE BOARD OF SUPERVISORS |



File Number:

City and County of San Francisco Tails

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

Resolution

130701

Date Passed: September 17, 2013

Resolution retroactively authorizing the renewal lease for approximately 14,825 square feet of space at 3801-3rd Street, Suite 400, San Francisco, with Bayview Plaza, LLC, as Landlord, for use by the Department of Public Health at the monthly cost of \$38,545 for the period of July 1, 2013, through June 30, 2018.

September 11, 2013 Budget and Finance Committee - RECOMMENDED

September 17, 2013 Board of Supervisors - ADOPTED

Ayes: 10 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Mar, Tang, Wiener and Yee Absent: 1 - Kim

File No. 130701

I hereby certify that the foregoing Resolution was ADOPTED on 9/17/2013 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo **Clerk of the Board**

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Date Approved