

1 [Lease of Real Property.]

2
3 **Resolution authorizing a new lease of real property currently occupied by the City**
4 **under the terms of an earlier lease at 1380 Howard Street, San Francisco, for a term of**
5 **five years and one month, commencing June 1, 2001 at an initial monthly rent of**
6 **\$100,000 per month for the Mental Health Division of the Department of Public Health.**

7
8 WHEREAS, Board of Supervisors Resolution No. 421-98 authorized, for a term of ten
9 years commencing June 1, 1998, a new lease extending the occupancy of a portion of the
10 building at 1380 Howard Street comprised of approximately 70,300 rentable square feet (the
11 "Premises") which was, on the date of approval of such Resolution, occupied by the Mental
12 Health Division of the Department of Public Health; and

13 WHEREAS, subsequent to the granting of such authorization, Landlord, Cort Family
14 Living Trust, was unwilling to execute a lease on essentially the same terms as set forth in
15 the draft lease authorized by Board of Supervisors Resolution No. 421-98; and

16 WHEREAS, In order to avoid eviction and/or substantial disruption of the operations of
17 the Mental Health Division of the Department of Public Health, the City has paid to Landlord,
18 under the authority granted by Board of Supervisors Resolution No. 421-98, the rent so
19 authorized, while the Real Estate Division and the Office of the City Attorney worked to
20 resolve any differences between Landlord and City, and to negotiate a lease document on
21 terms and conditions acceptable to Landlord and City; and

22 WHEREAS, The Real Estate Division has negotiated a lease on terms and conditions
23 that meet the needs of the Department of Public Health as well as those of the Landlord, but
24 which are not authorized by Board of Supervisors Resolution No. 421-98; and

1 WHEREAS, Landlord has executed a lease in a form approved by the Office of the
2 City Attorney, and on terms and conditions that meet the requirements of the Department of
3 Public Health, which lease is on file with the Clerk of the Board of Supervisors in File No. --
4 010835 ; now, therefore, be it

5 RESOLVED, That in accordance with the recommendation of the Director of the
6 Department of Public Health, that the Director of Property, on behalf of the City and County of
7 San Francisco, as Tenant, be and is hereby authorized to execute a lease with The Cort
8 Family Living Trust, as Landlord, for a portion of the office building at 1380 Howard Street,
9 San Francisco, comprising a rentable area of approximately 70,300 square feet, for the
10 Mental Health Division of the Department of Public Health; and, be it

11 FURTHER RESOLVED, That upon approval of this Resolution by City's Mayor and
12 Board of Supervisors, the lease will commence June 1, 2001, and end June 30, 2006; and,
13 be it

14 FURTHER RESOLVED, The initial base monthly rent will be \$100,000. In addition,
15 City shall pay the cost of utilities, janitorial services and janitorial supplies provided to the
16 premises, as well as City's prorata share of increases in Real Property Taxes above those of
17 calendar year 1997. The base rent will be adjusted commencing effective July 1, 2003 to an
18 amount equal to 95% of the then prevailing market rate, provided that in no event will the
19 monthly Base rent exceed \$211,000; and, be it,

20 FURTHER RESOLVED, The landlord will replace all carpet throughout the premises
21 and paint the interior of the premises. Landlord will provide the new carpet at its sole cost
22 and expense, and will provide to City an allowance of \$38,000 (the "Allowance") toward the
23 cost of carpet installation, painting, and related furniture moving. Upon completion of these
24 improvements, City will reimburse Landlord as additional rent for any related cost in excess
25 of the Allowance; and, be it,

1 FURTHER RESOLVED, That the lease may include an appropriate clause in a form
2 approved by the Director of Property and the City Attorney, indemnifying and holding
3 harmless the Landlord, from and agreeing to defend the Landlord against any and all claims,
4 costs and expenses, including, without limitation, reasonable attorney's fees, incurred as a
5 result of City's use of the premises, any default by the City in the performance of any of its
6 obligations under the lease, or any acts or omissions of City or its agents, in, on or about the
7 premises or the property on which the premises are located, excluding those claims, costs
8 and expenses incurred as a result of the gross negligence or willful misconduct of Landlord
9 or its agents; and, be it

10 FURTHER RESOLVED, That the lease shall be subject to and conditioned upon, the
11 Human Rights Commission's approval of Landlord's compliance with City's Non-
12 Discrimination and Equal Benefits in Employment Ordinance; and, be it

13 FURTHER RESOLVED, That all actions heretofore taken by the officers of the City
14 with respect to such lease are hereby approved, confirmed and ratified; and, be it

15 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
16 Property to enter into any amendments or modifications to the Lease (including without
17 limitation, the exhibits) that the Director of Property determines, in consultation with the City
18 Attorney, are in the best interest of the City, do not increase the rent or otherwise materially
19 increase the obligations or liabilities of the City, are necessary or advisable to effectuate the
20 purposes of the Lease or this resolution, and are in compliance with all applicable laws,
21 including City's Charter; and, be it

22 FURTHER RESOLVED, That said Lease shall be subject to certification of funds by
23 the Controller pursuant to Section 6.302 of the Charter; and, be it

24 FURTHER RESOLVED, That the City Attorney shall approve the form of the Lease
25 and any related documents.

1 RECOMMENDED:

2 *Byron Zoumbis for*
3 Director, Department of Public Health
4

5 *Steve Legnitho*
6 Director of Property

7 CERTIFICATION OF FUNDS

8 \$ 100,000 Available from 1G-AGF-AAA
9 HMHMCC730515 03011
10 (1 month)

11 *M. A. Syme*
12 Controller



City and County of San Francisco

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

Tails

Resolution

File Number: 010835

Date Passed:

Resolution authorizing a new lease of real property currently occupied by the City under the terms of an earlier lease at 1380 Howard Street, San Francisco, for a term of five years and one month, commencing June 1, 2001 at an initial monthly rent of \$100,000 per month for the Mental Health Division of the Department of Public Health.


June 4, 2001 Board of Supervisors — ADOPTED

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

Absent: 1 - McGoldrick

File No. 010835


I hereby certify that the foregoing Resolution was ADOPTED on June 4, 2001 by the Board of Supervisors of the City and County of San Francisco.



Gloria L. Young
Clerk of the Board

JUN 15 2001

Date Approved



Mayor Willie L. Brown Jr.