Resolution authorizing the exercise of a five year option to extend the lease of approximately 25,939 square feet of space at 1390 Market Street for the Department of Public Health.

WHEREAS, The City and Calfox, Inc., Landlord, executed the seven year lease dated September 9, 1996, authorized by Resolution 699-96 for Premises consisting of 25,939 sq. ft. at the building commonly known as Fox Plaza, 1390 Market Street; and

WHEREAS, Such Lease expires on November 30, 2003 and contains an option to extend the terms for 5 years on the same terms and conditions except that the Base Monthly Rental is to be adjusted to 95% of the market rental value; and

WHEREAS, Pursuant to the terms of such option, the Real Estate Division and the Landlord have negotiated such 95% of fair market rental, considering all factors; and

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

RESOLVED, That in accordance with the recommendation of the Director of the Department of Public Health and the Director of Property, the Director of Property is hereby authorized to take all actions on behalf of the City and County of San Francisco, as tenant, to extend the Lease (a copy of the original lease is on file with the Clerk of the Board) with Calfox, Inc. ("Landlord"), for the building commonly known as Fox Plaza, 1390 Market Street, San Francisco, California, for the area of approximately 25,939 sq. ft. (the "Premises") on the terms and conditions set forth herein, and on a form approved by the City Attorney; and, be it

**Real Estate Division**
BOARD OF SUPERVISORS
FURTHER RESOLVED, That the Lease extension shall be for a term of 5 years at a monthly rental of $44,019.92, (approximately $20.36 per sq. ft. annually), fully serviced except that City shall continue to pay for separately metered electricity on approximately 14,539 sq. ft. The Landlord shall pay for the other utilities, janitorial services, and building maintenance and repairs. City shall pay for the standard operating expense increases over a new 2003 Base Year; and, be it

FURTHER RESOLVED, That the Lease shall continue to include the lease clause, indemnifying, holding harmless, and defending 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 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 Landlord or its agents; and, be it

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

FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of Property to enter into any amendments or modifications to the Lease (including, without limitation, the exhibits) 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 renewal or this resolution, and are in compliance with all applicable laws, including the City Charter; and, be it

FURTHER RESOLVED, That the City shall occupy the entire Premises for the full term of the Lease unless funds for the Department of Public Health's rental payments are not
appropriated in any subsequent fiscal year at which time the City may terminate the Lease with advance notice to Landlord. Said Lease shall be subject to certification as to funds by the Controller, pursuant to Section 6.302 of the City Charter.

$518,874.84 Available
(5 mos. @$42,147.08)
(7 mos. @$44,019.92)
HCHPBADMINGF
HCHPBADMINGR
HCHPBHAZWTPJ
HCHPBWATERPJ
HCHPBPUBSVSR
HCHPHLEAD-GF

Controller


RECOMMENDED:

[Signature]
Department of Public Health

[Signature]
Director of Property
Real Estate Division

**Real Estate Division**
BOARD OF SUPERVISORS
Resolution authorizing the exercise of a five year option to extend the lease of approximately 25,939 square feet of space at 1390 Market Street for the Department of Public Health.

March 18, 2003 Board of Supervisors — ADOPTED
Ayes: 10 - Ammiano, Dufty, Gonzalez, Hall, Ma, Maxwell, McGoldrick, Newsom, Peskin, Sandoval
Excused: 1 - Daly

File No. 030179

I hereby certify that the foregoing Resolution was ADOPTED on March 18, 2003 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young
Clerk of the Board

Mayor Willie L. Brown Jr.