

1 [Lease of Real Property]

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3 **Resolution authorizing the renewal of a lease of 20,677 sq. ft. of space including related**  
4 **auxiliary spaces at One Market Plaza for the Department of Telecommunications and**  
5 **Information Services.**

6

7 BE IT RESOLVED, That in accordance with the recommendation of the Director of the  
8 Department of Telecommunications and Information Services (DTIS) and the Director of  
9 Property, the Director of Property is hereby authorized to take all actions, on behalf of the City  
10 and County of San Francisco, as Tenant, to execute a written amendment to extend the lease  
11 (copy of which is on file with the Clerk of the Board, the "Amendment to Extend the Lease")  
12 and other related documents with CA-ONE MARKET LIMITED PARTNERSHIP ("Landlord"),  
13 for the building commonly known as One Market Plaza, Steuart Tower, San Francisco,  
14 California, for the existing premises which comprises an area of approximately 20,677 square  
15 feet including related auxiliary spaces and raceway license on the terms and conditions  
16 herein; and, be it

17 FURTHER RESOLVED, That the lease shall commence on the mutual execution and  
18 exchange of the Lease Amendment or February 1, 2006, whichever occurs later and  
19 terminate on January 31, 2008. The monthly base rent shall be \$53,331.29 and shall remain  
20 flat for the two year term. In addition to the base rent the City shall pay for its electricity use,  
21 its use of the building's chilled water and its pro rata share of any increases in the building  
22 expenses and real estate taxes above a base year of 2006; and, be it

23 FURTHER RESOLVED, That the City shall have two alternative options to extend the  
24 term. Option A is for a six month extension of the two year term at a base rental rate of  
25 \$57,299.99 per month. Option B which is exercisable during the first twelve months of the two

1 year lease, shall extend the term until June 30, 2013 at an initial Base Rent of \$48,568.54 per  
2 month for year 2 and escalated per the following schedule: Year 3, \$48,715.84 per month.  
3 Year 4, \$48,867.56 per month. Year 5 (first three months), \$49,023.83 per month (next nine  
4 months), \$52,992.79 per month. Year 6, \$53,153.75 per month. Year 7, \$53,319.54 per  
5 month. Year 8 (five months), \$53,490.30; and, be it

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

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

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

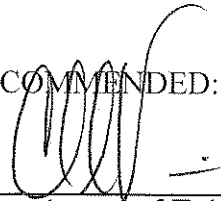
23 FURTHER RESOLVED, That the City shall occupy the entire Premises for the full term  
24 of the lease unless funds for the Department of Telecommunications and Information Services  
25 rental payments are not appropriated in any subsequent fiscal year at which time City may

1 terminate the lease with reasonable advance written notice to Landlord. Said Lease shall be  
2 subject to certification as to funds by the Controller, pursuant to Section 3.105 of the Charter.

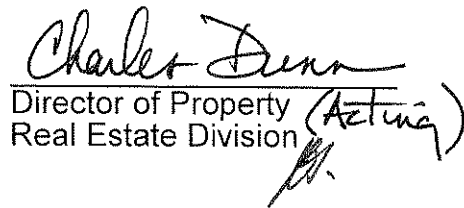
3 \$266,656.40 Available  
4 Index No. 750052  
5 Sub Object 03011

6   
7 Controller

8 RECOMMENDED:

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10 Department of Telecommunications and Information Services

11   
12 Director of Property (Acting)  
13 Real Estate Division



City and County of San Francisco

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

Tails  
Resolution

File Number: 060096

Date Passed:

Resolution authorizing the renewal of a lease of 20,677 sq. ft. of space including related auxiliary spaces at One Market Plaza for the Department of Telecommunications and Information Services.

February 28, 2006 Board of Supervisors — ADOPTED

Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

File No. 060096

I hereby certify that the foregoing Resolution was ADOPTED on February 28, 2006 by the Board of Supervisors of the City and County of San Francisco.

3.10.06

Date Approved

*Kay Hillinger*  
for Gloria L. Young  
Clerk of the Board  
*[Signature]*  
Mayor Gavin Newsom