Resolution authorizing the Amendment to Lease at 3119 Mission Street for the Human Services Agency.

WHEREAS, The City, on behalf of the Department of Human Services, entered into a Lease dated as of April 3, 1998 (the "Lease") with KLW, LLC, a California limited liability company ("Landlord"), as landlord, for the premises ("Premises") comprising approximately 3,100 square feet at 3119 Mission Street, San Francisco with nine (9) adjacent parking stalls,

WHEREAS, the Lease provided for a 5-year initial term that expired on March 15, 2003 and a 5-year extension option that was exercised and expired on March 15, 2008 but was further extended until December 31, 2008 pursuant to a letter agreement dated April 9, 2008; and

WHEREAS, The Real Estate Division at the request of the Department of Human Services (now called the Human Services Agency) negotiated modifications to amend the Lease to extend its term and add 2,465 square feet of space at 3127 Mission Street (the "3127 Mission Street Premises") as hereafter set forth; now, therefore, be it

RESOLVED, That the Board of Supervisors authorizes the Director of Property, on behalf of the City, to take all actions necessary to enter into any amendments or modifications (including without limitation, the exhibits) to the Lease (the "Amendment to 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 except as authorized in this resolution, are necessary or advisable to
effectuate the purposes of the Amendment to Lease or this resolution, and are in compliance with all application laws, including City's Charter; and be it

FURTHER RESOLVED, That the Amendment to Lease shall take effect as of the date (the “Effective Date”) that is the later of (a) the date Landlord delivers the 3127 Mission Street Premises with the leasehold improvements substantially completed pursuant to and as specified in the Amendment to Lease, or (b) the date City's Mayor and Board of Supervisors enact a resolution approving the Amendment to Lease, and

FURTHER RESOLVED, That the Amendment to Lease shall modify the Lease to provide that the 3127 Mission Street Premises and its entire 2,465 square foot area are thereby incorporated into the Lease resulting in the "rentable area" subject to the Lease being expanded from 3,100 to 5,565 rentable square feet with no parking stalls; and be it

FURTHER RESOLVED, That in accordance with the Amendment to Lease, the term of the Lease shall be extended for a term ("Extended Term") commencing on the Effective Date and expiring on June 30, 2015; and be it

FURTHER RESOLVED, That the Amendment to Lease shall increase the base monthly rent for the Extended Term to $9,580 per month, or $114,960 per year, subject to annual Consumer Price Index adjustments commencing on January 1, 2010 of no less than 3% and no more than 6%; and be it

FURTHER RESOLVED, That the Amendment to Lease shall modify other provisions of the Lease with respect to the parties' respective obligations relating to the use of the Premises, as more particularly described in the Amendment to Lease; and be it

FURTHER RESOLVED, That, as provided in the Lease prior to amendment, 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 or the adjacent parking lot, (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 active 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 Amendment to 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
Amendment to Lease for approximately a six-and-a-half (6.5)-year term expiring June 30,
2015 unless funds for rental payments are not appropriated in any subsequent fiscal year,
at which time City may terminate the Amendment to Lease with written notice to Landlord
pursuant to Section 3.105 of the Charter of the City and County of San Francisco.

RECOMMENDED:

Amy D. Brown
Director of Property

$57,900 Available
Index No. 45ADOH
Subobject 03011

Controller

Director,
Human Services Agency
File Number: 081371

Resolution authorizing the Amendment to Lease at 3119 Mission Street for the Human Services Agency.

December 9, 2008 Board of Supervisors — ADOPTED

Ayes: 11 - Alioto-Pier, Campos, Chu, Daly, Duffy, Elsbernd, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

I hereby certify that the foregoing Resolution was ADOPTED on December 9, 2008 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Date Approved: 12/16/08

Mayor Gavin Newsom