[Lease - 1995 Evans Street - \$1,190,000]

4

1

6

9

11

12

20

24

25

Resolution retroactively authorizing the lease of 1995 Evans Street from Claire A. Spencer, surviving trustee of Spencer Living Trust, for various Departments to use as a storage for the period of August 1, 2013, through December 31, 2014, for the initial base rental rate of \$70,000 a month for an approximate total of \$1,190,000 with one two year option to extend the lease and option to purchase the property.

WHEREAS, the Department of Technology's Public Safety Communications Division (DT-PSC) was required to vacate 901 Rankin Street in order to facilitate the expansion and improvement of the San Francisco Wholesale Produce Market by no later than September. 2013; and

WHEREAS, DT-PSC relocated to 1800 Jerrold Avenue, displacing the City's Central Shops vehicle storage areas; and

WHEREAS, DT-PSC could not store all related materials and supplies at 1800 Jerrold Avenue, and needed additional storage, and the City's Central Shops displaced vehicle storage areas must also be temporarily replaced in the vicinity of 1800 Jerrold Avenue; and

WHEREAS, The Real Estate Division located 1995 Evans Street, Lots 4, 5 and 6 in Block 5231 of the County of San Francisco (the "Property"), as an ideal temporary storage facility for the noted uses, that also could potentially serve as a future location for long-term city office needs; now, therefore, be it

RESOLVED, That the Director of Property is hereby authorized to take all actions. each on behalf of the City and County of San Francisco, as tenant, to execute a lease and other related documents with Claire A. Spencer, Surviving Trustee of the William D. Spencer

and Claire A. Spencer 1995 Living Trust, dated February 9, 1995, ("Landlord"), for the Property, which is comprised of land area of approximately 89,200 square feet with a building of approximately 44,210 gross square feet, on the terms and conditions contained in the Lease (a copy of which is on file with the Clerk of the Board of Supervisors under File No. 131038); and, be it

FURTHER RESOLVED, That the Lease shall be for a term commencing approximately August 1, 2013, through December 31, 2014. The Lease shall be at a base rent of \$70,000 per month, with all other operational costs borne by City. The base rent will not increase during the term of the Lease. There shall be one option to extend the term of the Lease by two years at a base rent of \$72,100 per month; and, be it

FURTHER RESOLVED, That the Lease shall include a Purchase Option, however exercise of said Purchase Option shall be subject to Board of Supervisors and Mayor review and approval and shall be contingent upon completion of substantial due diligence with regard to the Property; and, be it

FURTHER RESOLVED, That the Lease shall include the lease clause indemnifying and holding harmless the Landlord from and agreeing to defend the Landlord against any and all claims, costs and expenses, including, without limitation, reasonable attorney's fees, incurred as a result of City's use of the premises, any default by the City in the performance of any of its obligations under the lease or any acts or omissions of 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 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, acceptance and exercise of the single extension option if deemed necessary, or modifications to the Lease (including without limitation, the exhibits) that the Director of Property determines, in consultation with the City Attorney and City Administrator, 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 City shall occupy the entire Property for the full term of the Lease, and the single extension option period if exercised, unless funds for rental payments are not appropriated in any subsequent fiscal year. Said Lease shall be subject to certification as to funds by the Controller, pursuant to Section 3.105 of the Charter; and, be it

FURTHER RESOLVED, That within thirty (30) days of the lease being fully executed by all parties the Director of Property shall provide the final lease to the Clerk of the Board for inclusion into the official file.

\$ 770,000 Available Index Code: 70FSDB

Controller

**RECOMMENDED:** 

John Updike
Director of Property



## City and County of San Francisco **Tails**

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

## Resolution

File Number:

131038

Date Passed: November 05, 2013

Resolution retroactively authorizing the lease of 1995 Evans Street from Claire A. Spencer, surviving trustee of Spencer Living Trust, for various Departments to use as a storage for the period of August 1, 2013, through December 31, 2014, for the initial base rental rate of \$70,000 a month for an approximate total of \$1,190,000 with one two-year option to extend the lease and option to purchase the property.

October 30, 2013 Budget and Finance Committee - RECOMMENDED

November 05, 2013 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 131038

I hereby certify that the foregoing Resolution was ADOPTED on 11/5/2013 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board