Resolution authorizing the lease renewal of approximately 13,545 square feet of
space at 755 and 759 South Van Ness Ave., San Francisco, with AIM TWO, as
Landlord, for use by the Department of Public Health at the monthly cost of
$38,738.70 for an initial term of four years and seven months for an approximate total
of $2,130,628 to commence following Board approval, including an additional 3,675
square feet parking area at no further cost.

WHEREAS, The Department of Public Health has occupied the 13,545 square foot
Premises at 755 and 759 South Van Ness Ave. and adjacent 3,675 square foot parking lot
since 2001, and currently operates its Community Behavior Health Services programs at the site; and

WHEREAS, The Real Estate Division at the request of the Department of Public Health negotiated the renewal of the lease at 755 + 759 South Van Ness Ave. for an approximate initial 4-year, 7-month term commencing upon the City’s Mayor and Board of Supervisors approval of the transaction contemplated by the lease, in their respective sole and absolute discretion, with one additional 4-year option term at 95% of the prevailing market rent subject to enactment of a resolution by the Board of Supervisors and the Mayor, in their respective sole and absolute discretion, approving and authorizing the same, within sixty (60) days after the date such notice of exercise is given; and

WHEREAS, The fair market rent for the initial term shall be $38,738.70 ($2.86 per square foot) including janitorial services and the adjoining 3,675 square foot parking area at no additional charge subject to annual CPI adjustments of no less than 3% and no more than 5%; now, therefore, be it

 Supervisor Campos
 BOARD OF SUPERVISORS
RESOLVED, That the Board of Supervisors authorizes the Director of Property to take all actions, on behalf of the City, to enter into any amendments or modifications (including without limitation, the exhibits) to the 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, 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 initial fair market monthly rent for the approximate initial 4-year, 7-month term shall be $38,738.70 ($2.86 per square foot) subject to annual CPI adjustments of no less than 3% and no more than 5%; and, be it

FURTHER RESOLVED, That 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, (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 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 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 lease for an approximate initial 4-year, 7-month term with one additional 4-year option term at 95% of the prevailing market rent, upon approval by the Board of Supervisors and
Mayor, in their respective sole and absolute discretion, unless funds for rental payments are not appropriated in any subsequent fiscal year, at which time City may terminate the lease with written notice to Landlord pursuant to Section 3.105 of the Charter of the City and County of San Francisco; and, be it

FURTHER RESOLVED, That the Department of Public Health provide a report on the DPH facility plan, including plans to reduce the number of leased sites and consolidate programs and services at City-owned facilities, to the next Board of Supervisors hearing on the City’s 10-year Capital Plan; and, be it

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

RECOMMENDED:

[Signatures]

Director of Property

Director, Department of Public Health

$271,170.90 Available
Index Code: HMHMCB731943

Controller
Resolution authorizing the lease renewal of approximately 13,545 square feet of space at 755 and 759 South Van Ness Ave., San Francisco, with AIM TWO, as Landlord, for use by the Department of Public Health at the monthly cost of $38,738.70 for an initial term of four years and seven months for an approximate total of $2,130,628 to commence following Board approval, including an additional 3,675 square feet parking area at no further cost.

November 13, 2013 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

November 13, 2013 Budget and Finance Committee - RECOMMENDED AS AMENDED

November 19, 2013 Board of Supervisors - ADOPTED

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

I hereby certify that the foregoing Resolution was ADOPTED on 11/19/2013 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

Date Approved