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REAL ESTATE
BOARD OF SUPERVISORS

[Lease of Real Property at 760 Harrison Street]

retroactively

Resolution authorizing extension of a lease of real property at 760 Harrison Street for the Department of Public Health.

WHEREAS, The City, for the Department of Public Health, entered into a lease dated November 1, 1996 for approximately 13,000 square feet of clinic space at 760 Harrison Street, a two story concrete building with a partial basement and surface parking area, and the initial term will end on June 30, 2007, and

WHEREAS, The Lease contains two options to extend the term by five years at a rental rate equivalent to 95% of the then current fair market rate, and

WHEREAS, It has been agreed that \$25,350 per month (\$1.95 X 13,000 square feet) is 95% of fair market value base rent with a new base year for expense pass throughs of 2007; now, therefore, be it

RESOLVED, That in accordance with the recommendation of the Director Public retroactively. Health and the Director of Property, the Board of Supervisors hereby/approves the City's exercise of the option to extend the Lease for five years commencing on July 1, 2007; on the terms and conditions set forth in the lease, and authorizes the Director of Property to take all actions, on behalf of the City and County of San Francisco as may be required in furtherance of the City's exercise of the option; and, be it

FURTHER RESOLVED, The Board of Supervisors approves the following provisions, as more particularly set forth in the Lease:

(a) The Term of the extension option shall commence on July 1, 2007 and shall end on June 30, 2012;

- (b) The monthly base rent shall be \$25,350 (\$1.95 per square foot X 13,000 square feet), industrial gross rent, flat for the term of the extension and with a new base year for expense pass throughs of 2007;
- (c) Landlord shall add to the Lease, for City's use, the small concrete block storage building on lot 53 and two more parking spaces;
- (d) Landlord shall, at Landlord's cost, paint the building exterior and interior with colors mutually agreeable to Landlord and City;
- (e) Landlord shall at Landlord's cost replace worn carpet and linoleum as directed with colors and quality mutually agreed upon;
- (f) City shall continue to pay janitorial costs and shall pay for garbage removal commencing July 1, 2007; and, be it

FURTHER RESOLVED, That City has a further option to renew for one (1) five (5) year period with the rent to be adjusted to 95% of the then prevailing fair market rent, otherwise on the same terms and conditions. City shall provide Landlord with one hundred and eighty (180) days advance notice to exercise the option; and, be it

FURTHER RESOLVED, That 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 this 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 or 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 this lease is hereby ratified and affirmed; 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 or this resolution, and are in compliance with all applicable laws, including City's Charter; and, be it

FURTHER RESOLVED, Said lease shall be in a form approved by the City Attorney and City shall occupy said premises for the entire extension term expiring on June 30, 2012 unless funds for rental payments are not appropriated in any subsequent fiscal year, at which time City may terminate this lease with written notice to Landlord, pursuant to Section 3.105 of the Charter of the City and County of San Francisco.

RECOMMENDED:

\$304,200 Available Index No. HMHMCC730515, Sub Object 03000

Director of Property

Controller

Director

Department of Public Health

REAL ESTATE
BOARD OF SUPERVISORS



## City and County of San Francisco Tails

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

## Resolution

File Number:

070746

Date Passed:

Resolution retroactively authorizing extension of a lease of real property at 760 Harrison Street for the Department of Public Health.

July 24, 2007 Board of Supervisors — ADOPTED

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

File No. 070746

I hereby certify that the foregoing Resolution was ADOPTED on July 24, 2007 by the Board of Supervisors of the City and County of San Francisco.

Date Approved

Mayor Gavin Newsom

Angela Calvill Derk of the Boa