[Lease of Real Property]

Resolution authorizing a new lease of approximately 3,287 rentable square feet of space at 1325A Evans Avenue for the San Francisco Public Utilities Commission.

WHEREAS, The San Francisco Public Utilities Commission ("SFPUC") Health and Safety group (H&S) is being displaced from its offices at 3801 3rd Street by the expansion of the Wastewater group; and,

WHEREAS, The approximately 13 staff members of H&S need office space in order to carry out their technical consultation services and training to SFPUC employees in Capital Improvement Projects and industrial hygiene surveys, accident investigation and regulatory interface with Cal OSHA; now, therefore, be it

RESOLVED, That in accordance with the recommendations of the General Manager of the San Francisco Public Utilities Commission and the Director of Property, the Director of Property is hereby authorized to take all actions on behalf of the City and County of San Francisco, as Tenant, to execute a written Lease (a copy of which is on file with the Clerk of the Board in File No. 081370 (the "Lease") with Raul Arriaza and Denise Arriaza, husband and wife, as community property with right of survivorship, as to an undivided 50% interest, and Carl Olson and Linda Olson, husband and wife, as community property with right of survivorship, as to an undivided 50% interest, collectively, as Landlord, for an area of approximately 3,287 rentable sq. ft. of office space with the address of 1325A Evans Avenue, San Francisco, California, on the second floor of the building commonly known as 1301 Evans Avenue plus three parking spaces (the "Premises"), on the terms and conditions set forth herein, and on a form approved by the City Attorney; and, be it

FURTHER RESOLVED, That the Lease shall commence upon the mutual execution and exchange of the Lease or the Board of Supervisors' approval of the Lease, whichever occurs later, which is expected to be January 1, 2009, for a term of 5 years at a monthly rental of \$6,574 (approximately \$24.00 per sq. ft. annually) full service lease; and, be it

FURTHER RESOLVED, That City has an 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 as provided in the Lease, which option may be exercised by the Director of Property providing Landlord with one hundred and eighty (180) days advance notice; and, be it

FURTHER RESOLVED, That the Lease contains a provision whereby 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 active 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 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 the City Charter; and, be it

FURTHER RESOLVED, The Lease shall be in a form approved by the City Attorney and City shall occupy the Premises for the entire term expiring on December 31, 2013 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.

\$39,444 Available Index Code: 401101 Sub Object: 03011

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RECOMMENDED:

San Francisco Public Utilities Commission

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:

081370

Date Passed:



Resolution authorizing a new lease of approximately 3,287 rentable square feet of space at 1325A Evans Avenue for the San Francisco Public Utilities Commission.

November 25, 2008 Board of Supervisors — ADOPTED

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

File No. 081370

I hereby certify that the foregoing Resolution was ADOPTED on November 25, 2008 by the Board of Supervisors of the City and County of San Francisco.

12/5/2008

Date Approved

Clerk of the Hoard

Angela Calvillo

or Gava Newsom