FILE NO. 081360

## RESOLUTION NO. 50-09

[Lease of Real Property at 3801 Third Street, Suite 400]

Resolution authorizing the Lease at 3801 Third Street, Suite 400, for the Department of Public Health commencing retroactively on July 1, 2008.

WHEREAS, The Department of Public Health has occupied the 14,825 square foot premises at 3801 Third Street, Suite 400, since 1998, and currently operates its Foster Care, Child Crisis and Crisis Response Team 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 3801 Third Street, Suite 400, for a 5-year term commencing retroactively upon the expiration of the existing lease on July 1, 2008, with one additional 5-year option term at 95% of the prevailing market rent; and

WHEREAS, The fully serviced, fair market rent for the initial term shall be \$36,469.50 (\$2.46 per sq. ft.) subject to annual Consumer Price Index adjustments of no less than 2% and no more than 5%; and

WHEREAS, The Landlord shall install new floor covering at a cost not to exceed \$81,000 payable by City as additional rent upon substantial completion; now, therefore, be it

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

REAL ESTATE BOARD OF SUPERVISORS or advisable to effectuate the purposes of the Lease or this resolution, and are in compliance with all application laws, including City's Charter; and be it

FURTHER RESOLVED, That the fully serviced, fair market rent for the initial term shall be \$36,469.50 (\$2.46 per sq. ft.), subject to annual Consumer Price Index adjustments of no less than 2% and no-more than 5%; and be it

FURTHER RESOLVED, That the Landlord shall install new floor covering at a cost not to exceed \$81,000 payable by City to Landlord as additional rent upon substantial completion; 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 a 5-year term commencing retroactively on July 1, 2008 with one additional 5year option term at 95% of the prevailing market rent, 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.

REAL ESTATE BOARD OF SUPERVISORS

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## RECOMMENDED:

**Director of Property** 

Director, Department of Public Health \$438,518 Available

Index Code: HMHMCC730515, Subobject 03011

Controller

## REAL ESTATE BOARD OF SUPERVISORS

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**City and County of San Francisco** 

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

Tails

## Resolution

File Number: 081360

Date Passed:

Resolution authorizing the lease at 3801 Third Street, Suite 400, for the Department of Public Health commencing retroactively on July 1, 2008.

February 10, 2009 Board of Supervisors - ADOPTED

Ayes: 10 - Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell, Mirkarimi Excused: 1 - Alioto-Pier

File No. 081360

I hereby certify that the foregoing Resolution was ADOPTED on February 10, 2009 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

FOR

Mayor Gavin Newsom

Date Approved