[Real Property Lease - SPOK, Inc. - Zuckerberg San Francisco General Hospital and Trauma Center, Building 25 - 1001 Potrero Avenue - \$5,000 per Month Base Rent Exempt]

Resolution authorizing and approving the lease of a portion of the equipment room at Zuckerberg San Francisco General Hospital and Trauma Center, Building 25, at 1001 Potrero Avenue with SPOK, Inc., a Delaware corporation, at the monthly base rent of \$5,000 which shall be waived while providing paging services and equipment to the City, for the five-year term to commence upon approval by the Board of Supervisors and Mayor, with two five-year options to extend.

WHEREAS, The Priscilla and Mark Zuckerberg San Francisco General Hospital and Trauma Center ("ZSFGH"), is one of the nation's leading public hospitals and has continuously provided emergency, acute care, and trauma services to San Francisco residents for more than one hundred years; and

WHEREAS, The ZSFGH campus, including the new hospital at Building 25, is under the jurisdiction of the City and County of San Francisco's ("City") Department of Public Health ("DPH"); and

WHEREAS, DPH and the Regents of the University of California – San Francisco ("UCSF") have a long standing affiliation through which UCSF provides physicians and other professional services at ZSFGH; and

WHEREAS, UCSF, DPH, ZSFGH, and their respective doctors, nurses, and staff, rely upon the paging services and equipment provided by SPOK, Inc., ("SPOK"), through a Paging Equipment and Services Agreement for daily and emergency communications with UCSF; and

WHEREAS, ZSFGH is designed and constructed with materials that block radio and cellular from reaching portions of the building including basement surgical areas; and

WHEREAS, ZSFGH requires antennas and boosters within the building to provide sufficient paging and cellular service to staff, patients and visitors to routinely communicate daily and during emergencies; and

WHEREAS, To ensure the doctors and staff at the ZSFGH receive their pages in the hospital, at the campus and surrounding areas, SPOK requires the installation of one Yagi antenna on the roof of Building 25, and one rack and related power supply equipment in Building 25 to connect to the building's Distributed Antenna System ("DAS"); and

WHEREAS, The Real Estate Division on behalf of the DPH has negotiated a new lease ("Lease") substantially the form on file with the Clerk of the Board of Supervisors in File No. 170100, which is hereby declared to be a part of this resolution as if set forth fully herein (the "Lease") to allow the installation of the equipment at Building 25; and

WHEREAS, The term of the lease shall be for five (5) years commencing upon approval by the Board of Supervisors and Mayor; and

WHEREAS, SPOK shall have two (2) additional five (5) year option terms to extend the Lease at the then City's minimum monthly base rent for similar personal communication sites within City owned assets, or, at the Base Rent prior to the start of any Option Year Term after adjusting for an annual Base Rent escalation of three (3%) percent of the then Base Rent, which options can be accepted at the discretion of the Director of the DPH and the Director of Property, so long as its UCSF Agreement is not terminated and the City and UCSF continue to benefit from the Agreement; and

WHEREAS, The base monthly rent of \$5,000.00 is subject to annual adjustments of three (3%) percent; and

WHEREAS, The SPOK shall pay for janitorial, pest, debris, and utility costs estimated to be \$3,708.00 per year; and

WHEREAS, SPOK shall be exempt from payment of Base Rent, utilities and other service charges so long as UCSF's and SPOK'S Agreement to provide paging services and equipment to UCSF and thereby effectively to the ZSFGH and DPH is in effect and City benefits from the Agreement; and

WHEREAS, On August 24, 2016, the Environmental Planning Division of the San Francisco Planning Department determined that the project, the lease and use of City Property for installation of communications equipment, would not be subject to the California Environmental Quality Act, Public Resources Code section 21000 et seq. ("CEQA"), pursuant to CEQA Guidelines Section 15301 and 15303, Said determination is on file with the Clerk of the Board of Supervisors in File No. 170100 and is incorporated herein by reference; and

WHEREAS, On September 8, 2016, the San Francisco Planning Department found the project, lease and use of the City property to AMS complies with CEQA and is consistent with the City's General Plan and with Planning Code Section 101.1-(b); a copy of the General Plan Referral is on file with the Clerk of the Board of Supervisors in File No. 170100 and is incorporated herein by reference; and

WHEREAS, On December 6, 2016, the Health Commission of the City and County of San Francisco passed Resolution No. 16-13 recommending that the Board of Supervisors approve lease agreements for the installation of necessary equipment for paging and cellular services at ZSFGH, Building 25; now, therefore, be it

RESOLVED, That in accordance with the recommendation of the Director of the Department of Public Health, the Director of Property and the City Attorney, the Director of Property on behalf of the City, as Landlord, be and is hereby authorized to take all actions necessary to execute the Lease at ZSFGH, Building 25, for a five year term and two five year options subject to the enactment of a resolution by the Board of Supervisors and the Mayor, in their respective sole and absolute discretion, approving and authorizing the same; and, be it

FURTHER RESOLVED, The monthly base rent for the initial five year term shall be \$5,000.00, subject to annual adjustments of three (3%) percent, exclusive of utilities, janitorial, and debris services estimated to be \$3,708.00 per year; and, be it

FURTHER RESOLVED, The Board of Supervisors approves the Lease in substantially the form in the Board's File and authorizes the Director of Property to take all actions, on behalf of City, to enter into any amendments or modifications (including without limitation, the exhibits) to the Lease that the Director of Property determines, in consultation with the City Attorney, are in the best interests of the City, do not materially increase the obligations or liabilities of the City, and are necessary or advisable to complete the transaction and effectuate the purposes and intent of this resolution and are in compliance with all applicable laws, including City's Charter; and, be it

FURTHER RESOLVED, That the Lease contains language 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, including those claims, costs and expenses incurred as a result of negligence or willful misconduct of Landlord or its agents; and, be it

FURTHER RESOLVED, That the Competitive Bidding Procedures would be impractical in light of the existing Agreement between SPOK and UCSF providing UCSF with paging services and equipment for use by UCSF at Building 25 and the ZSFGH campus; and, be it

FURTHER RESOLVED, That any action heretofore taken by any City employee or official with respect to the exercise of the Lease as set forth herein is hereby approved, confirmed and ratified; and, be it

FURTHER RESOLVED, That the Board of Supervisors finds that the actions contemplated in this Resolution are consistent with the City's General Plan and with Planning Code Section 101.1-(b) for the reasons set forth in the General Plan Referral dated September 8, 2015; and, be it

FURTHER RESOLVED, That within thirty (30) days of the Lease agreement being fully executed by all parties, the Director of Property shall provide a copy of the Lease agreement to the Clerk of the Board to include into the official file.

RECOMMENDED:

Barbara A. Garcia, MPA, Director Department of Public Health

RECOMMENDED:

John Updike

Director of Property

Real Estate Division

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Supervisor Cohen **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: 170100

Date Passed: April 18, 2017

Resolution authorizing and approving the lease of a portion of the equipment room at Zuckerberg San Francisco General Hospital and Trauma Center, Building 25, at 1001 Potrero Avenue with SPOK, Inc., a Delaware corporation, at the monthly base rent of \$5,000 which shall be waived while providing paging services and equipment to the City, for the five-year term to commence upon approval by the Board of Supervisors and Mayor, with two five-year options to extend.

April 06, 2017 Budget and Finance Sub-Committee - RECOMMENDED

April 18, 2017 Board of Supervisors - ADOPTED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

File No. 170100

I hereby certify that the foregoing Resolution was ADOPTED on 4/18/2017 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

Date Approved