

1 [Lease of Real Property]

2 **Resolution authorizing a new lease of approximately 3,287 rentable square feet of**  
3 **space at 1325A Evans Avenue for the San Francisco Public Utilities Commission.**  
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5 WHEREAS, The San Francisco Public Utilities Commission (“SFPUC”) Health and  
6 Safety group (H&S) is being displaced from its offices at 3801 3<sup>rd</sup> Street by the expansion of  
7 the Wastewater group; and,

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

12 RESOLVED, That in accordance with the recommendations of the General Manager of  
13 the San Francisco Public Utilities Commission and the Director of Property, the Director of  
14 Property is hereby authorized to take all actions on behalf of the City and County of San  
15 Francisco, as Tenant, to execute a written Lease (a copy of which is on file with the Clerk of  
16 the Board in File No. 081370 (the “Lease”) with Raul Arriaza and Denise Arriaza, husband  
17 and wife, as community property with right of survivorship, as to an undivided 50% interest,  
18 and Carl Olson and Linda Olson, husband and wife, as community property with right of  
19 survivorship, as to an undivided 50% interest, collectively, as Landlord, for an area of  
20 approximately 3,287 rentable sq. ft. of office space with the address of 1325A Evans Avenue,  
21 San Francisco, California, on the second floor of the building commonly known as 1301 Evans  
22 Avenue plus three parking spaces (the “Premises”), on the terms and conditions set forth  
23 herein, and on a form approved by the City Attorney; and, be it  
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1           FURTHER RESOLVED, That the Lease shall commence upon the mutual execution  
2 and exchange of the Lease or the Board of Supervisors' approval of the Lease, whichever  
3 occurs later, which is expected to be January 1, 2009, for a term of 5 years at a monthly rental  
4 of \$6,574 (approximately \$24.00 per sq. ft. annually) full service lease; and, be it

5           FURTHER RESOLVED, That City has an option to renew for one (1) five (5) year  
6 period with the rent to be adjusted to 95% of the then prevailing fair market rent, otherwise on  
7 the same terms and conditions as provided in the Lease, which option may be exercised by  
8 the Director of Property providing Landlord with one hundred and eighty (180) days advance  
9 notice; and, be it

10           FURTHER RESOLVED, That the Lease contains a provision whereby City agrees to  
11 indemnify, defend and hold harmless Landlord and its agents from and against any and all  
12 claims, costs and expenses, including, without limitation, reasonable attorneys' fees, incurred  
13 as a result of (a) City's use of the Premises, (b) any default by City in the performance of any  
14 of its obligations under the Lease, or (c) any negligent acts or omissions of City or its agents,  
15 in, on or about the Premises or the property; provided, however, City shall not be obligated to  
16 indemnify Landlord or its agents to the extent any claim arises out of the active negligence or  
17 willful misconduct of Landlord or its agents; and, be it

18           FURTHER RESOLVED, That all actions heretofore taken by the officers of the City  
19 with respect to such Lease are hereby approved, confirmed and ratified; and, be it

20           FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
21 Property to enter into any amendments or modifications to the Lease (including, without  
22 limitation, the exhibits) that the Director of Property determines, in consultation with the City  
23 Attorney, are in the best interest of the City, do not increase the rent or otherwise materially  
24 increase the obligations or liabilities of the City, are necessary or advisable to effectuate the

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1 purposes of the Lease or this resolution, and are in compliance with all applicable laws,  
2 including the City Charter; and, be it

3 FURTHER RESOLVED, The Lease shall be in a form approved by the City Attorney  
4 and City shall occupy the Premises for the entire term expiring on December 31, 2013  
5 unless funds for rental payments are not appropriated in any subsequent fiscal year, at  
6 which time City may terminate the Lease with written notice to Landlord, pursuant to  
7 Section 3.105 of the Charter of the City and County of San Francisco.

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

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Controller

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15 **RECOMMENDED:**

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San Francisco Public Utilities Commission

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Director of Property

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