

1 [Lease of Real Property]

2 **Resolution authorizing a Sublease renewal of approximately 117,826 square feet of**  
3 **space at 1235 Mission Street for the Department of Human Services.**  
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5 WHEREAS, The City and the San Francisco Unified School District (“SFUSD”),  
6 executed the ten year Sublease dated August 1, 1992, authorized by Resolution 20-92 for  
7 Premises consisting of 117,826 square feet at the building commonly known as 1235 Mission  
8 Street; and

9 WHEREAS, Such Sublease expires on June 30, 2003 and contains an option to  
10 extend the terms for 5 years on the same terms and conditions except that the Base Monthly  
11 Rental is to be adjusted to 95% of the market rental value but not less than the current Base  
12 Monthly Rental; and,

13 WHEREAS, Pursuant to the terms of such option, the Real Estate Division and the  
14 SFUSD have negotiated such 95% of fair market rental, considering all factors; and,

15 WHEREAS, Such terms for the option are subject to enactment of a resolution by the  
16 Board of Supervisors and the Mayor, in their respective sole and absolute direction, approving  
17 and authorizing such exercise; now, therefore, be it

18 RESOLVED, That in accordance with the recommendation of the Director of the  
19 Department of Human Services and the Director of Property, the Director of Property is  
20 hereby authorized to take all actions on behalf of the City and County of San Francisco, as  
21 Sublessee, to extend the Sublease (a copy of the original Sublease is on file with the Clerk of  
22 the Board) with the San Francisco Unified School District as Sublessor, for the building  
23 commonly known as 1235 Mission Street, San Francisco, California, for the area of  
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1 approximately 117,826 sq. ft. of building area plus parking areas (the "Premises") on the  
2 terms and conditions set forth herein, and on a form approved by the City Attorney; and, be it

3 FURTHER RESOLVED, That the Sublease extension shall be for a term of 5 years at  
4 a monthly rental of \$154,691, (approximately \$15.75 per sq. ft. annually). City shall continue  
5 to pay for separately metered utilities, janitorial services, building maintenance and repairs,  
6 and other operating expenses; and, be it

7 FURTHER RESOLVED, That the Sublease shall continue to include the lease clause,  
8 indemnifying, holding harmless, and defending Sublessor and its agents from and against any  
9 and all claims, costs and expenses, including without limitation, reasonable attorneys' fees,  
10 incurred as a result of any default by the City in the performance of any of its material  
11 obligations under the Sublease, or any negligent acts or omissions of the City or its agents, in,  
12 on, or about the Premises or the property on which the Premises are located, excluding those  
13 claims, costs and expenses incurred as a result of the negligence or willful misconduct of the  
14 Sublessor or its agents; and, be it

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

17 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
18 Property to enter into any amendments or modifications to the Sublease (including, without  
19 limitation, the exhibits) that the Director of Property determines, in consultation with the City  
20 Attorney, are in the best interest of the City, do not increase the rent or otherwise materially  
21 increase the obligations or liabilities of the City, are necessary or advisable to effectuate the  
22 purposes of the Sublease renewal or this resolution, and are in compliance with all applicable  
23 laws, including the City Charter; and, be it

24 FURTHER RESOLVED, That the City shall occupy the entire Premises for the full term  
25 of the Sublease unless funds for the Department of Human Services' rental payments are not

1 appropriated in any subsequent fiscal year at which time the City may terminate the Sublease  
2 with advance notice to Sublessor. Said Sublease shall be subject to certification as to funds  
3 by the Controller, pursuant to Section 6.302 of the City Charter.

4  
5 \$1,854,292 Available  
6 Fund: 1G  
7 Subfund: AAA  
8 Index Code: 45ADOH  
9 Character: 021  
10 Subobject: 03011

11  
12 \_\_\_\_\_  
13 Controller

14 Subject to the enactment of the Annual Appropriation  
15 Ordinance for Fiscal Year 2003/2004.

16 **RECOMMENDED:**

17 \_\_\_\_\_  
18 Department of Human Services

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20 Director of Property  
21 Real Estate Division

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