

1 [Lease - 1995 Evans Street - \$1,190,000]

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3 **Resolution retroactively authorizing the lease of 1995 Evans Street from Claire A.**
4 **Spencer, surviving trustee of Spencer Living Trust, for various Departments to use as**
5 **a storage for the period of August 1, 2013, through December 31, 2014, for the initial**
6 **base rental rate of \$70,000 a month for an approximate total of \$1,190,000 with one**
7 **two year option to extend the lease and option to purchase the property.**

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9 WHEREAS, the Department of Technology’s Public Safety Communications Division
10 (DT-PSC) was required to vacate 901 Rankin Street in order to facilitate the expansion and
11 improvement of the San Francisco Wholesale Produce Market by no later than September,
12 2013; and

13 WHEREAS, DT-PSC relocated to 1800 Jerrold Avenue, displacing the City’s Central
14 Shops vehicle storage areas; and

15 WHEREAS, DT-PSC could not store all related materials and supplies at 1800
16 Jerrold Avenue, and needed additional storage, and the City’s Central Shops displaced
17 vehicle storage areas must also be temporarily replaced in the vicinity of 1800 Jerrold
18 Avenue; and

19 WHEREAS, The Real Estate Division located 1995 Evans Street, Lots 4, 5 and 6 in
20 Block 5231 of the County of San Francisco (the “Property”), as an ideal temporary storage
21 facility for the noted uses, that also could potentially serve as a future location for long-term
22 city office needs; now, therefore, be it

23 RESOLVED, That the Director of Property is hereby authorized to take all actions,
24 each on behalf of the City and County of San Francisco, as tenant, to execute a lease and
25 other related documents with Claire A. Spencer, Surviving Trustee of the William D. Spencer

1 and Claire A. Spencer 1995 Living Trust, dated February 9, 1995, ("Landlord"), for the
2 Property, which is comprised of land area of approximately 89,200 square feet with a
3 building of approximately 44,210 gross square feet, on the terms and conditions contained
4 in the Lease (a copy of which is on file with the Clerk of the Board of Supervisors under File
5 No. 131038); and, be it

6 FURTHER RESOLVED, That the Lease shall be for a term commencing
7 approximately August 1, 2013, through December 31, 2014. The Lease shall be at a base
8 rent of \$70,000 per month, with all other operational costs borne by City. The base rent will
9 not increase during the term of the Lease. There shall be one option to extend the term of
10 the Lease by two years at a base rent of \$72,100 per month; and, be it

11 FURTHER RESOLVED, That the Lease shall include a Purchase Option, however
12 exercise of said Purchase Option shall be subject to Board of Supervisors and Mayor review
13 and approval and shall be contingent upon completion of substantial due diligence with
14 regard to the Property; and, be it

15 FURTHER RESOLVED, That the Lease shall include the lease clause indemnifying
16 and holding harmless the Landlord from and agreeing to defend the Landlord against any
17 and all claims, costs and expenses, including, without limitation, reasonable attorney's fees,
18 incurred as a result of City's use of the premises, any default by the City in the performance
19 of any of its obligations under the lease or any acts or omissions of City or its agents, in, on
20 or about the premises or the property on which the premises are located, excluding those
21 claims, costs and expenses incurred as a result of the negligence or willful misconduct of
22 Landlord or its agents; and, be it

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

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1 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
2 Property to enter into any amendments, acceptance and exercise of the single extension
3 option if deemed necessary, or modifications to the Lease (including without limitation, the
4 exhibits) that the Director of Property determines, in consultation with the City Attorney and
5 City Administrator, are in the best interest of the City, do not increase the rent or otherwise
6 materially increase the obligations or liabilities of the City, are necessary or advisable to
7 effectuate the purposes of the Lease or this Resolution, and are in compliance with all
8 applicable laws, including City's Charter; and, be it

9 FURTHER RESOLVED, That the City shall occupy the entire Property for the full
10 term of the Lease, and the single extension option period if exercised, unless funds for
11 rental payments are not appropriated in any subsequent fiscal year. Said Lease shall be
12 subject to certification as to funds by the Controller, pursuant to Section 3.105 of the
13 Charter; and, be it

14 FURTHER RESOLVED, That within thirty (30) days of the lease being fully executed
15 by all parties the Director of Property shall provide the final lease to the Clerk of the Board
16 for inclusion into the official file.

\$ 770,000 Available
Index Code: 70FSDB

Controller

RECOMMENDED:

John Updike
Director of Property

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