

1 [Real Property Lease - Townsend Associates, LLC - 650-5th Street, Suites 307-309 and Four
2 Parking Stalls - \$177,480 Annual Base Rent]

3 **Resolution authorizing the lease of approximately 3,060 square feet at 650-5th Street,**
4 **Suites 307-309, with four parking stalls, with Townsend Associates, LLC, a California**
5 **limited liability company, for a five year term commencing upon approval by the Board**
6 **of Supervisors and Mayor, with one option to extend for three years, at the monthly**
7 **base rent of \$14,790 for a total annual base rent of \$177,480.**

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9 WHEREAS, The Department of Public Health (the “DPH”) currently operates its Jail
10 Health Services at 650-5th Street, Suites 307-309, providing a comprehensive and integrated
11 system of medical, psychiatric and substance abuse services to inmates in San Francisco
12 jails; and

13 WHEREAS, The Real Estate Division on behalf of the DPH has negotiated a lease
14 renewal substantially the form on file with the Clerk of the Board of Supervisors in File
15 No. 160710 which is hereby declared to be a part of this resolution as if set forth fully herein
16 (the “Lease”) to continue the DPH services at the site comprising approximately 3,060 square
17 feet with four (4) parking stalls; and

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

20 WHEREAS, The City shall have one (1) additional three (3) year option term to extend
21 the lease at 95% of the then prevailing fair market rent but in no event less than the Base
22 Rent for the lease year prior to commencement of the option term subject to the enactment of
23 a resolution by the Board of Supervisors and the Mayor, in their respective sole and absolute
24 discretion, approving and authorizing the same; and

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1 WHEREAS, The base monthly rent of \$14,790 is flat for the initial term; and

2 WHEREAS, The monthly holdover rent after July 1, 2016 under the current lease will
3 be \$11,191.95 expiring upon approval of the subject lease renewal by the Board of
4 Supervisors and Mayor; and

5 WHEREAS, The City shall be responsible for the cost of its separately metered
6 electricity, and Landlord shall be responsible for the cost of all other utilities and janitorial
7 services; now, therefore, be it

8 RESOLVED, That in accordance with the recommendation of the Director of the
9 Department of Public Health and the Director of Property, the Director of Property is hereby
10 authorized to take all actions, on behalf of the City and County of San Francisco as Tenant to
11 enter into the Lease; and, be it

12 FURTHER RESOLVED, The monthly base rent for the City's initial five year term shall
13 be \$14,790 (approximately \$4.83 per square foot); and, be it

14 FURTHER RESOLVED, The City is responsible for the cost of its separately metered
15 electricity, and Landlord shall be responsible for the cost of all other utilities and janitorial
16 services; and, be it

17 FURTHER RESOLVED, The City shall have one (1) additional option term of three (3)
18 years at 95% of the then prevailing fair market rent but in no event less than the Base Rent for
19 the lease year prior to commencement of the option term subject to the enactment of a
20 resolution by the Board of Supervisors and the Mayor, in their respective sole and absolute
21 discretion, approving and authorizing the same; and, be it

22 FURTHER RESOLVED, The City agrees to indemnify, defend, and hold harmless
23 Landlord and its agents from and against any and all claims, costs, and expenses, including
24 without limitation, reasonable attorney fees, incurred as a result of (a) City's use of the
25 Premises, (b) any default by the City in the performance of any of its obligations under the

1 lease, or (c) any acts or omissions of City or its agents, in, on or about the Premises or the
2 property on which the Premises are located, provided however City shall not be obligated to
3 indemnify Landlord or its agents to the extent any claim, cost and expense arises out of
4 active gross negligence or willful misconduct of Landlord or its agents; and, be it

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

8 FURTHER RESOLVED, The Board of Supervisors approves the lease in substantially
9 the form in the Board's File and authorizes the Director of Property to take all actions, on
10 behalf of City, to enter into any amendments or modifications (including without limitation, the
11 exhibits) to the lease on the terms and conditions herein and form approved by the City
12 Attorney that the Director of Property determines, in consultation with the City Attorney, are in
13 the best interest of the City, do not increase the rent or otherwise materially increase the
14 obligations or liabilities of the City, are necessary or advisable to effectuate the purposes of
15 the lease and are in compliance with all applicable laws, including City's Charter; and, be it

16 FURTHER RESOLVED, The City shall occupy the entire Premises for the full term of
17 the lease unless funds for the City's rental payments are not appropriated in any subsequent
18 fiscal year at which time City may terminate the lease with reasonable advance written notice
19 to Landlord. Such termination shall then be effective upon surrender of the Premises. Said
20 lease shall be subject to certification of funds by the Controller pursuant to Section 3.105 of
21 the Charter of the City and County of San Francisco; and, be it

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

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1 RECOMMENDED:

2 \$177,480 Available
3 Index Code No. HJAILHLTH-GF

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5 _____
6 Controller
7 Fiscal Year 2016-2017 subject to the enactment of the FY 2016-2017 annual appropriation
8 ordinance.

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8 RECOMMENDED:

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10 _____
11 Barbara Garcia, Director
12 Department of Public Health

12 RECOMMENDED:

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14 _____
15 John Updike
16 Director of Property
17 Real Estate Division

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