

1 [Real Property Lease Renewal - Ruth Mellinger - 70 Oak Grove Street - \$37,208.33 Monthly]

2
3 **Resolution authorizing the exercise of an option to extend the lease of 10,000 sq. ft. at**
4 **70 Oak Grove Street with Ruth Mellinger, an unmarried woman, for five years for use**
5 **by the Sheriff's Department at \$37,208.33 monthly, for the period of May 31, 2014,**
6 **through May 30, 2019.**

7
8 WHEREAS, The City and County of San Francisco ("Tenant"), and Ruth Mellinger, an
9 unmarried woman ("Landlord"), executed a lease dated March 25, 2004, (the "Lease"),
10 authorized by Board of Supervisors Resolution No. 109-04 for the entire property (the
11 "Premises") commonly known and numbered as 70 Oak Grove and consisting of
12 approximately 10,000 sq. ft. for use by the Sheriff's Department (SFSD); and

13 WHEREAS, Such Lease currently expires on May 30, 2014, and contains an option
14 to extend the Lease for five (5) years on the same terms and conditions except that during
15 the Extended Term, the Base Monthly Rental is to be adjusted to 95% of the market rental
16 value; and

17 WHEREAS, From 70 Oak Grove, SFSD provides a number of integrated programs
18 including the 5 Keys Charter School, NoVA (the No Violence Alliance), the SWAP (Sheriff's
19 Work Alternative Program), Electronic Monitoring, and Post Release Education Programs
20 (PREP); and

21 WHEREAS, These SFSD programs provide basic education, post-release intensive
22 case management, referrals to services for training, job readiness, health and housing and
23 electronic monitoring (for qualified sentenced and pre-sentenced prisoners) which allows
24 them to work and live in their home; and

1 WHEREAS, The SFSD programs provided at 70 Oak Grove are deemed essential to
2 reduce incarceration and recidivism in the City and County of San Francisco; and

3 WHEREAS, Pursuant to the terms of the Lease, the Real Estate Division and the
4 Landlord have negotiated such 95% of fair market rental, considering all factors, for the five
5 (5) year extension period to be \$37,208.33 per month (approximately \$44.65 per square foot
6 per year) fixed for the entire five year term; and

7 WHEREAS, The Extension Term is subject to enactment of a resolution by the Board
8 of Supervisors and the Mayor, in their respective sole and absolute direction, approving and
9 authorizing such exercise; now, therefore, be it

10 RESOLVED, That the Director of Real Estate is hereby authorized to take all actions,
11 on behalf of the City and County of San Francisco, as Tenant, to extend the lease with Ruth
12 Mellinger, Landlord, for the Premises commonly known as 70 Oak Grove, San Francisco,
13 California, which comprises an area of approximately 10,000 square feet on the terms and
14 conditions contained in the First Lease Amendment (a copy of which is on file with the Clerk
15 of the Board of Supervisors in File No. _____); and, be it

16 FURTHER RESOLVED, That the Lease extension shall be for a term of five (5) years
17 (through May 30, 2019) at a base rent \$37,208.33 per month, (approximately \$44.65 per sq.
18 ft. annually) and the City shall continue to pay for its own janitorial services and utilities at a
19 current cost of approximately \$1,950.80 per month (approximately \$2.34 per sq. ft. annually)
20 and other typical tenant costs; and, be it

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

23 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
24 Real Estate to enter into any amendments or modifications to the Lease (including without
25 limitation, the exhibits) that the Director of Real Estate determines, in consultation with the

1 City Attorney, are in the best interest of the City, do not increase the rent or otherwise
2 materially increase the obligations or liabilities of the City, are necessary or advisable to
3 effectuate the purposes of the Lease or this resolution, and are in compliance with all
4 applicable laws, including City's Charter; and, be it

5 FURTHER RESOLVED, That the City shall occupy the entire Premises for the full
6 term of the lease unless funds for rental payments are not appropriated in any subsequent
7 fiscal year at which time City may terminate the lease with ninety (90) days advance written
8 notice to Landlord. Said Lease shall be subject to certification as to funds by the Controller,
9 pursuant to Section 3.105 of the Charter; and, be it

10 FURTHER RESOLVED, That within thirty (30) days of the agreements being fully
11 executed by all parties, the Director of Real Estate shall provide the agreements to the Clerk
12 of the Board for inclusion into the official file.

13
14 Available: \$37,328.60
15 (1 month plus 1 day of Base Rent in
16 FY13/14)
17 Appropriation No.
18 Index code – 062400
19 Subobject – 03011

20 _____
21 Controller

22 RECOMMENDED:

23 _____
24 Director of Real Estate

25 _____
26 Sheriff