

1 [Real Property Lease Amendment - SFOC, LLC - 711 Van Ness Avenue - \$352,800 Per Year  
2 Base Rent]

3 **Resolution authorizing the Second Amendment to a Lease with SFOC, LLC, as**  
4 **Landlord, of 9,800 square feet at 711 Van Ness Avenue, extending the Lease expiring**  
5 **on June 30, 2015, through January 31, 2018, at a base rent of \$352,800 per year, plus**  
6 **payment for utility usage, services, and common area expenses above base year 2015,**  
7 **for the Department of Emergency Management, the Office of the Assessor-Recorder,**  
8 **and the Public Utilities Commission, to commence upon approval by the Board of**  
9 **Supervisors and Mayor, in their respective sole and absolute discretion.**

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11 WHEREAS, The Board of Supervisors passed and the Mayor signed Resolution 277-  
12 12 on July 24, 2012, on file with the Clerk of the Board of Supervisors in File No. 120675,  
13 authorizing an office lease (“Original Lease”) of 9,800 square feet at 711 Van Ness Avenue  
14 (“Premises”) between the City and County of San Francisco and SFOC LLC (“Landlord”) for  
15 use by the Department of Emergency Management (“DEM”) and the Office of the Assessor-  
16 Recorder (“ASR”); and

17 WHEREAS, The Board of Supervisors passed and the Mayor signed Resolution 186-  
18 13 on June 21, 2013, on file with the Clerk of the Board of Supervisors in File No. 130362,  
19 authorizing an extension of the Original Lease through June 30, 2015 (“First Amendment”,  
20 collectively with the Original Lease, the “Lease”); and

21 WHEREAS, In October 2014, DEM agreed to relinquish 2,000 square feet of the  
22 Premises to the San Francisco Public Utilities Commission (the “SFPUC”) so to relocate the  
23 SFPUC Archives within the Premises; and

24 WHEREAS, DEM, ASR and the SFPUC desire to amend the Lease (the “Second  
25 Amendment”) to extend the Lease until approximately January 31, 2018; and

1           WHEREAS, Landlord and City, through its Real Estate Division and with consultation  
2 from the Office of the City Attorney, have negotiated the Second Amendment, which  
3 increases Base Rent under the Lease from \$22.00 per square foot per year (\$1.83 per sq. ft.  
4 per month) to \$36.00 per square foot per year (\$3.00 per month), or from \$215,600 per year  
5 to \$352,800 per year, with annual increases to Base Rent of \$1.00 per square foot per year  
6 on each anniversary of the Second Amendment; and

7           WHEREAS, The Second Amendment shall require City to reimburse Landlord for the  
8 its actual utility usage and janitorial expenses within the Premises and to reimburse Landlord  
9 for the City's pro-rata share of increases to common area expenses at 711 Van Ness Avenue  
10 over and above Base Year 2015, and increasing the cost of any City's election to lease five  
11 (5) parking spaces from \$1,200 per month to \$1,250 per month; and

12           WHEREAS, All other provisions, terms and conditions of the Lease shall remain  
13 unchanged and in effect; now, therefore, be it

14           RESOLVED, That in accordance with the recommendation of the Director of Property,  
15 that the Director of Property on behalf of the City, as Tenant, be and is hereby authorized to  
16 take all actions necessary to execute the Second Amendment (a copy of which is on file with  
17 the Clerk of the Board of Supervisors in File No. \_\_\_\_\_) at 711 Van Ness Avenue in San  
18 Francisco, California, to extend the Lease until January 31, 2018 at a Base Rent of \$36.00 per  
19 year, plus reimbursement of City's utilities, services and common area expenses; and, be it

20           FURTHER RESOLVED, That the Director of Property shall be authorized to enter into  
21 any additions, amendments or other modifications to the Second Amendment (including,  
22 without limitations, the exhibits) that the Director of Property determines, in consultation with  
23 the City Attorney, are in the best interests of the City, do not materially increase the  
24 obligations or liabilities of the City, and are necessary or advisable to complete the transaction  
25 and effectuate the purpose and intent of this resolution; and, be it

1 FURTHER RESOLVED, That the Lease contains language indemnifying and holding  
2 harmless the Landlord, from and agreeing to defend the Landlord against any and all claims,  
3 costs and expenses, including, without limitation, reasonable attorney's fees, incurred as a  
4 result of City's use of the Premises, any default by the City in the performance of any of its  
5 obligations under the Lease or any acts or omissions of city or its agents, in, on or about the  
6 Premises or the property on which the Premises are located, including those claims, costs  
7 and expenses incurred as a result of negligence or willful misconduct of Landlord or its  
8 agents; and, be it

9 FURTHER RESOLVED, That any action taken by the Director of Property and other  
10 officers of the City with respect to the Second Amendment are hereby approved, confirmed  
11 and ratified; and be it

12 FURTHER RESOLVED, Said Second Amendment shall be subject to certification as to  
13 funds by the Controller, pursuant to Charter, Section 3.105; and, be it

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

17 \$57,750.00 Available  
18 ASR Index Code: 020013  
19 \$110,625.00 Available  
20 DEM Index Codes: 771214 & 771314  
21 \$41,250.00 Available  
22 SFPUC Index Code: 401103

23  
24 \_\_\_\_\_  
25 Controller

1 RECOMMENDED:

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John Updike  
Director of Real Estate

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7 RECOMMENDED:

8 OFFICE OF THE ASSESSOR-RECORDER

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Carmen Chu  
Assessor-Recorder

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14 RECOMMENDED:

15 DEPARTMENT OF EMERGENCY MANAGEMENT

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Anne Kronenberg  
Executive Director

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21 RECOMMENDED:

22 SAN FRANCISCO PUBLIC UTILITIES COMMISSION

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Michael Carlin  
Deputy General Manager

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