

1 [Lease of Real Property]

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3 **Resolution authorizing the lease of 18,862 sq. ft. of space at 1740 Folsom Street for the**
4 **Sheriff's Department to consolidate training facilities.**

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6 BE IT RESOLVED, That in accordance with the recommendation of the Sheriff of the
7 City and County of San Francisco and the Director of Property, the Director of Property is
8 hereby authorized to take all actions, on behalf of the City and County of San Francisco, as
9 tenant, to execute a written lease (copy of which is on file with the Clerk of the Board) and
10 other related documents with Mark Nelson Development, LLC and New California Land
11 Company as Landlord, for the building commonly known as 1740 Folsom Street, San
12 Francisco, California, which comprises an area of approximately 18,862 square feet on the
13 terms and conditions herein and on a form approved by the City Attorney; and, be it

14 FURTHER RESOLVED, That the lease shall commence upon substantial completion
15 of tenant improvements (expected to be about July 1, 2002) and terminate June 30, 2012.
16 The monthly rent shall be \$31,436.67. Beginning July 1, 2007, the monthly Base Rent shall
17 be increased by the proportional increase in the Consumer Price Index. However, in no event
18 shall such increased Base Rent be more than \$40,867.67 nor less than \$36,152.17. The
19 City shall pay \$71,104 for the construction of a portion of the specialty tenant improvements.
20 The City shall pay for utilities and other typical tenant costs including data,
21 telecommunications and moving expenses; and, be it

22 FURTHER RESOLVED, That the lease shall include a clause approved by the City
23 Attorney, indemnifying and holding harmless the Landlord, from and agreeing to defend the
24 Landlord against any and all claims, costs and expenses, including, without limitation,
25 reasonable attorney's fees, incurred as a result of City's use of the premises, any default by

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1 the City in the performance of any of its obligations under the lease, or any acts or omissions
2 of City or its agents, in, on or about the premises or the property on which the premises are
3 located, excluding those claims, costs and expenses incurred as a result of the active
4 negligence or willful misconduct of Landlord or its agents; and, be it

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

7 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
8 Property to enter into any amendments or modifications to the Lease (including without
9 limitation, the exhibits) that the Director of Property determines, in consultation with the City
10 Attorney, are in the best interest of the City, do not increase the rent or otherwise materially
11 increase the obligations or liabilities of the City, are necessary or advisable to effectuate the
12 purposes of the Lease or this resolution, and are in compliance with all applicable laws,
13 including City's Charter; and, be it

14 FURTHER RESOLVED, That the City shall occupy the entire Premises for the full term
15 of the lease unless funds for the Sheriff's Department rental payments are not appropriated in
16 any subsequent fiscal year at which time City may terminate the lease with ninety (90) days
17 advance written notice to Landlord. Said Lease shall be subject to certification as to funds by
18 the Controller, pursuant to Section 6.302 of the Charter.

19 \$448,344.04 Available

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22 _____
23 Controller
24 Subject to the Annual Appropriation Ordinance
25 for Fiscal Year 2002/2003
and Subject to Enactment Companion
Supplemental Appropriation Ordinance

1 **RECOMMENDED:**

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Sheriff

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Director of Property
Real Estate Division

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