

1 [Lease of Real Property.]

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3 **Resolution authorizing the renewal of a lease of real property at 755 and 759 South Van**
4 **Ness Avenue for continued use by the Department of Public Health, Community**
5 **Behavioral Health Services.**

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7 WHEREAS, The City has occupied the building commonly known as 755 and 759
8 South Van Ness and consisting of approximately 13,545 square feet of office space on two
9 floors and approximately 3,675 square feet of fenced parking area under various leases with
10 AIM Two since October 1981; and,

11 WHEREAS, The City was authorized in 2001 by Resolution 365-01 to extend its
12 occupancy at 755 and 759 South Van Ness on a month to month basis at a total rental of
13 \$27,000 per month; and

14 WHEREAS, The Department of Public Health now desires a long term lease at 755
15 and 759 South Van Ness Avenue to provide local and City wide services to the community
16 and the Real Estate Division has negotiated a new 9.75 year lease agreement which includes
17 the Department's desired customized improvements; now, therefore, be it

18 RESOLVED, That in accordance with the recommendation of the Director of the
19 Department of Public Health and the Director of Property, the Director of Property, on behalf
20 of the City and County of San Francisco, as Tenant, is hereby authorized to execute a written
21 lease (substantially in the form on file with the Clerk of the Board of Supervisors) with AIM
22 TWO, as Landlord, for premises located at 755 and 759 South Van Ness Avenue, San
23 Francisco, California, comprising a total area of 13,545 rentable square feet plus an adjacent
24 area of 3,675 square feet for parking and otherwise on the terms and conditions contained
25 herein; and, be it

1 FURTHER RESOLVED, That the term of this lease shall begin thirty days from
2 substantial completion of the improvements (expected to be October 1, 2003), and shall
3 expire on June 30, 2013 (approximately nine years and nine months); and, be it

4 FURTHER RESOLVED, That the base rent will be \$20,317.50 per month
5 (approximately \$1.50 per square foot per month), ~~a savings of \$6,682.50 per month when~~
6 ~~compared to the current monthly rent of \$27,000.00~~; and be it

7 FURTHER RESOLVED, That the City shall continue to be responsible for certain
8 property operating costs including utilities and garbage removal; and be it

9 FURTHER RESOLVED, That Landlord at Landlord's cost, shall continue to maintain
10 the building and foundation, the building systems, the exterior of the premises and shall
11 provide janitorial services; and, be it

12 FURTHER RESOLVED, That the Lease shall include the lease clause, indemnifying,
13 holding harmless, and defending Lessor and its agents from and against any and all claims,
14 costs and expenses, including without limitation, reasonable attorneys' fees, incurred as a
15 result of any default by the City in the performance of any of its material obligations under the
16 Lease, or any negligent acts or omissions of the City or its agents, in, on, or about the
17 Premises or the property on which the Premises are located, excluding those claims, costs
18 and expenses incurred as a result of the negligence or willful misconduct of the Lessor or its
19 agents; and, be it

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

22 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
23 Property to enter into any amendments or modifications to the Leases (including without
24 limitation, the exhibits) that the Director of Property determines, in consultation with the City
25 Attorney, are in the best interest of the City, do not increase the rent or otherwise materially

1 increase the obligations or liabilities of the City, are necessary or advisable to effectuate the
2 purposes of the Leases or this resolution, and are in compliance with all applicable laws,
3 including City's Charter; and, be it

4 FURTHER RESOLVED, That the City shall occupy the entire Premises for the full
5 term of the Lease unless funds for the Department of Public Health rental payments are not
6 appropriated in any subsequent fiscal year at which time the City may terminate the Lease
7 with advance notice to Lessor. Said Lease shall be subject to certification as to funds by
8 the Controller, pursuant to Section 3.105 of the City Charter.

9 Fund: 1G
10 Subfund: AAA
11 Index Code: HMHMCC730515
12 Character: 21
13 Subobject: 03000
14 \$182,857.50 Available

15 _____
16 Controller

17 **RECOMMENDED:**

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20 Department of Public Health

21 _____
22 Director of Property
23 Real Estate Division
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