

1 [Lease of Real Property]

2
3 **Resolution authorizing the lease of approximately 66,565 square feet of space at One**
4 **South Van Ness Avenue for the Municipal Transportation Agency and the City and**
5 **County of San Francisco's 311 Call Center.**

6 WHEREAS, The MTA, pursuant to authority given to it by Charter Section 8A.102,
7 executed a lease dated as of January 1, 2005 (the "Lease", a copy of which is on file with the
8 Clerk of the Board) with One South Associates, LLP (the "Landlord") for approximately 62,083
9 square feet on the third (3rd) floor of the building commonly known as One South Van Ness
10 Avenue (the "Building"); and,

11 WHEREAS, The Lease provides the City with multiple options to expand the premises
12 and extend the term, and it also provides the City with an option to purchase Building for the
13 Seventy-One Million Five Hundred Thousand Dollars (\$71,500,000) or approximately \$145
14 per square foot of rentable building area; now, therefore, be it

15 RESOLVED, That in accordance with the recommendation of the Executive Director of
16 the MTA, the Mayor, and the Director of Property, the Board of Supervisors hereby approves
17 an amendment to such lease on the terms and conditions set forth in the Lease Amendment
18 (a copy of which is on file with the Clerk of the Board), and authorizes the Director of Property
19 to take all actions, on behalf of the City and County of San Francisco as may be required in
20 furtherance of such amendment ; and, be it

21 FURTHER RESOLVED, That the Board of Supervisors approves the following
22 provisions, as more particularly set forth in the Lease Amendment:

- 23 (a) The commencement of the term shall be staggered based on Landlord's delivery
24 of three (3) sections of the Premises as shown in the Lease Amendment and shall terminate
25 on November 30, 2017;

(Real Estate) *MAYOR*
BOARD OF SUPERVISORS

1 (b) The monthly base rent when the entire Premises has been delivered shall be
2 \$133,130.00 (\$24 per sq. ft. annually), fixed for the term of the Lease. The base year for
3 operating expenses and real estate taxes shall be 2010;

4 (c) Landlord shall provide an allowance (the "Allowance") for the design and
5 construction of tenant improvements for the Premises in the amount of \$3,919,160;

6 (d) For the Premises , the City shall pay the portion of the tenant improvement costs
7 (estimated to be approx \$3,188,310) above the \$3,919,160 Landlord's allowance;

8 (e) City shall also pay for certain janitorial and utility services at an estimated
9 monthly cost of approximately \$26,458.42.

10 (f) The City shall also pay for the other typical tenant costs including data,
11 telecommunications, moving expenses and services provided outside of normal business
12 hours; and,

13 (g) The Landlord shall indemnify the City for Landlord's activities and any Landlord
14 defaults, and the City shall indemnify the Landlord for City's activities and any City defaults;
15 and, be it

16 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
17 Property to enter into any modifications to the Lease (including without limitation, the exhibits)
18 that the Director of Property determines, in consultation with the City Attorney, are in the best
19 interests of the City, do not increase the rent or otherwise materially increase the obligations
20 or liabilities of the City, are necessary or advisable to effectuate the purposes of the Lease or
21 this Resolution, and are in compliance with all applicable laws, including City's Charter; and,
22 be it

23 FURTHER RESOLVED, That the City shall occupy the entire leased premises for the
24 full term of the Lease unless funds for the City's rental payments are not appropriated in any
25

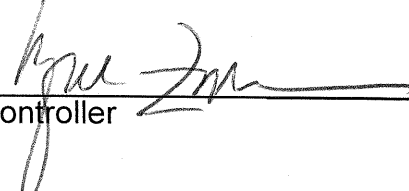
1 subsequent fiscal year, at which time City may terminate the Lease. The Lease shall be
2 subject to certification as to funds by the Controller, pursuant to Section 3.105 of the Charter.

3
4 \$2,221,233.20 Available
5 Appropriation No. PT1008-750200
6 In Fiscal 06/07

7 \$1,506,120 Available
8 Appropriation No. 352-088
9 In Fiscal 06/07

10 \$ 828,331 Available
11 Appropriation No. 352-088
12 In Fiscal 07/08

13 Subject to the enactment of the Annual
14 Appropriation Ordinance for Fiscal Years
15 2006/2007 and 2007/2008

16
17 
18 Controller

19 RECOMMENDED:

20 
21 Executive Director
22 Municipal Transportation Agency

23 
24 Director, Department of Telecommunications
25 and Information Services

26 
27 Director of Property (Acting)
28 Real Estate Division

(Real Estate)
BOARD OF SUPERVISORS



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails

Resolution

File Number: 060079

Date Passed:

Resolution authorizing the lease of approximately 66,565 square feet of space at One South Van Ness Avenue for the Municipal Transportation Agency and the City and County of San Francisco's 311 Call Center.

March 14, 2006 Board of Supervisors — ADOPTED

Ayes: 7 - Alioto-Pier, Ammiano, Dufty, Elsbernd, Ma, Maxwell, Peskin

Noes: 3 - Daly, Mirkarimi, Sandoval

Excused: 1 - McGoldrick

File No. 060079

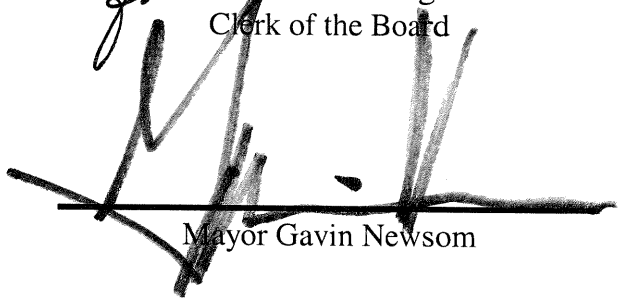
I hereby certify that the foregoing Resolution was ADOPTED on March 14, 2006 by the Board of Supervisors of the City and County of San Francisco.

March 20, 2006

Date Approved



Gloria L. Young
Clerk of the Board



Mayor Gavin Newsom