

1 [Lease of Real Property at 3801 Third Street, Suite 400]

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3 **Resolution authorizing the Lease at 3801 Third Street, Suite 400, for the Department**
4 **of Public Health commencing retroactively on 7/1/08.**

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6 WHEREAS, The Department of Public Health has occupied the 14,825 square foot
7 premises at 3801 Third Street, Suite 400, since 1998, and currently operates its Foster
8 Care, Child Crisis and Crisis Response Team programs at the site; and

9 WHEREAS, The Real Estate Division at the request of the Department of Public
10 Health negotiated the renewal of the Lease at 3801 Third Street, Suite 400, for a 5-year
11 term commencing retroactively upon the expiration of the existing lease on 7/1/08 with one
12 additional 5-year option term at 95% of the prevailing market rent; and

13 WHEREAS, The fully serviced, fair market rent for the initial term shall be
14 \$36,469.50 (\$2.46 per sq. ft.) subject to annual Consumer Price Index adjustments of no
15 less than 2% and no more than 5%; and

16 WHEREAS, The Landlord shall install new floor covering at a cost not to exceed
17 \$81,000 payable by City as additional rent upon substantial completion; now, therefore, be
18 it

19 RESOLVED, That the Board of Supervisors authorizes the Director of Property to
20 take all actions, on behalf of the City, to enter into any amendments or modifications
21 (including without limitation, the exhibits) to the Lease on the terms and conditions herein
22 and form approved by the City Attorney that the Director of Property determines, in
23 consultation with the City Attorney are in the best interest of the City, do not increase the
24 rent or otherwise materially increase the obligations or liabilities of the City, are necessary

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1 or advisable to effectuate the purposes of the Lease or this resolution, and are in
2 compliance with all application laws, including City's Charter; and be it

3 FURTHER RESOLVED, That the fully serviced, fair market rent for the initial term
4 shall be \$36,469.50 (\$2.46 per sq. ft.), subject to annual Consumer Price Index
5 adjustments of no less than 2% and no more than 5%; and be it

6 FURTHER RESOLVED, That the Landlord shall install new floor covering at a cost
7 not to exceed \$81,000 payable by City to Landlord as additional rent upon substantial
8 completion; and be it

9 FURTHER RESOLVED, That the City agrees to indemnify, defend, and hold
10 harmless Landlord and its agents from and against any and all claims, costs, and
11 expenses, including, without limitation, reasonable attorneys fees, incurred as a result of (a)
12 City's use of the Premises, (b) any default by City in the performance of any of its
13 obligations under the Lease, or (c) any negligent acts or omissions of City or its agents, in,
14 on, or about the Premises or the property, provided, however, City shall not be obligated to
15 indemnify Landlord or its agents to the extent any claim arises out of the negligence of
16 willful misconduct of Landlord or its agents; and, be it

17 FURTHER RESOLVED, That any action taken by any City employee or official with
18 respect to the exercise of the Lease as set forth herein is hereby ratified and affirmed; and,
19 be it

20 FURTHER RESOLVED, That City shall occupy the Premises as described in the
21 Lease for a 5-year term commencing retroactively on July 1, 2008 with one additional 5-
22 year option term at 95% of the prevailing market rent, unless funds for rental payments are
23 not appropriated in any subsequent fiscal year, at which time City may terminate the Lease
24 with written notice to Landlord pursuant to Section 3.105 of the Charter of the City and
25 County of San Francisco.

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RECOMMENDED:

\$438,578 Available
Index No. HMHMC, Subobject 3011

Director of Property

Controller

Director,
Department of Public Health