

1 [Lease of Real Property – Hotel Le Nain]

2 AUTHORIZING AND APPROVING THE MASTER LEASE BY AND BETWEEN THE CITY
3 AND COUNTY OF SAN FRANCISCO, FOR THE DEPARTMENT OF PUBLIC HEALTH, AS
4 TENANT, AND HOTEL LE NAIN, LLC, AS LANDLORD FOR THE "HOTEL LE NAIN"
5 LOCATED AT 730 EDDY STREET.
6

7 WHEREAS, The Department of Public Health has created a "Direct Access to
8 Housing" program, which is designed to secure affordable housing for homeless and
9 extremely low-income San Francisco residents by having the City or a nonprofit entity
10 master lease privately owned buildings and then sublease residential units in those
11 buildings to individuals (whether alone or as members of a household) who are medically
12 frail and/or at-risk of homelessness, and/or who have recently exited homeless shelters or
13 residential treatment programs, all of whom are capable of living independently with on-site
14 support services; and,

15 WHEREAS, The Hotel Le Nain, located at 730 Eddy Street, owned by Hotel Le
16 Nain, LLC ("Landlord"), presents an opportunity to provide clean and stable housing for
17 approximately 92 such individuals who otherwise would be circulating through the City's
18 emergency shelter and health systems; and,

19 WHEREAS, Upon the master leasing of the Hotel Le Nain, the City will contract with
20 a property management company to manage the day-to-day operations of the Hotel Le
21 Nain; and

22 WHEREAS, In addition to contracting for property management services, the
23 Department of Public Health will contract with a service provider to deliver a
24 comprehensive array of on-site services including mental health services, life skills
25 development, crisis intervention, access to medical care, and meals; and,

SUPERVISOR, NEWSOM, BROWN
BOARD OF SUPERVISORS

1 WHEREAS, The Master Lease shall commence following approval of the Master
2 Lease by City's Mayor and Board of Supervisors and acceptance by the Department of
3 Public Health of the Hotel Le Nain from the Landlord. The term of the Master Lease shall
4 be ten years; and

5 WHEREAS, It is understood that City shall occupy the Hotel Le Nain for the entire
6 lease term, unless otherwise terminated as provided in the Master Lease or unless funds
7 for rental payments are not appropriated in any subsequent fiscal year, at which time City
8 may terminate this Master Lease with advance notice to Landlord; and

9 WHEREAS, The base rent shall be \$38,500 per month for the first year of the term;
10 now, therefore, be it

11 RESOLVED, In accordance with the recommendation of the Director of the
12 Department of Health and the Director of Property, that the Director of Property on behalf
13 of the City and County of San Francisco, as Tenant, be and is hereby authorized to enter
14 into the Master Lease with Landlord for a ten-year term at a monthly base rental rate of
15 \$38,500 and otherwise on the terms described in this Resolution, which Master Lease will
16 be substantially in the form on file with the Clerk of the Board of Supervisors in File No.
17 000484; and, be it

18 FURTHER RESOLVED, That the Master Lease may include a clause (substantially
19 in the form on file with the Clerk of the Board of Supervisors in File No. 000484
20 and approved by the Director of Property and the City Attorney) indemnifying and holding
21 harmless the Landlord from, and agreeing to defend the Landlord against, any and all
22 claims, costs and expenses, including without limitation, reasonable attorneys' fees,
23 incurred as a result of City's use of the premises, any default by the City in the performance
24 of any of its obligations under the Master Lease, or any acts or omissions of City, its agents
25

1 or its subtenants in, on or about the premises or the property on which the premises are
2 located; and

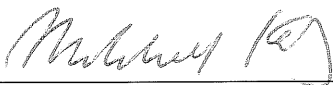
3 FURTHER RESOLVED, That the Director of Property be authorized to enter into
4 any additions, amendments or other modifications to the Master Lease (including, without
5 limitation, the exhibits) that the Director of Property determines, in consultation with the
6 Department of Public Health and the City Attorney, are in the best interests of the City, do
7 not materially increase the obligations or liabilities of the City, and are necessary or
8 advisable to complete the transaction contemplated in the Lease and effectuate the
9 purpose and intent of this resolution, such determination to be conclusively evidenced by
10 the execution and delivery by the Director of Property any amendments thereto; and be it

11 FURTHER RESOLVED, That all actions taken by any City employee or official with
12 respect to the Master Lease are hereby approved, affirmed and ratified.

13 Said Master Lease shall be subject to certification of funds by the Controller
14 pursuant to Section 3.105 of the Charter.

15
16 The City Attorney shall approve the form of the Lease and any related documents.
17
18

19 RECOMMENDED:

20 

21 _____
22 Director of Health, Department of
23 Public Health

24 
25 _____
Director of Property

SUPERVISOR NEWSOM
BOARD OF SUPERVISORS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Available:



Controller

Appropriation No. HCHSHH0USGGF



City and County of San Francisco

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

Tails

Resolution

File Number: 000484

Date Passed:

Resolution authorizing and approving the master lease by and between the City and County of San Francisco, for the Department of Public Health, as tenant and Hotel Le Nain, LLC, as landlord, for the "Hotel Le Nain" located at 730 Eddy Street.

April 24, 2000 Board of Supervisors — SEVERED FROM CONSENT AGENDA

April 24, 2000 Board of Supervisors — CONTINUED

Ayes: 10 - Ammiano, Becerril, Bierman, Brown, Kaufman, Leno, Newsom, Teng,
Yaki, Yee

Absent: 1 - Katz

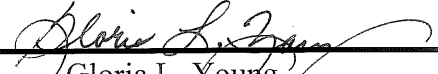
May 1, 2000 Board of Supervisors — ADOPTED

Ayes: 10 - Ammiano, Becerril, Bierman, Brown, Kaufman, Leno, Newsom, Teng,
Yaki, Yee

Absent: 1 - Katz

File No. 000484


I hereby certify that the foregoing Resolution was ADOPTED on May 1, 2000 by the Board of Supervisors of the City and County of San Francisco.



Gloria L. Young
Clerk of the Board

MAY 12 2000

Date Approved



Mayor Willie L. Brown Jr.