[Lease of Real Property]

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Resolution authorizing extension and amendment of a lease of real property at 1145 Market Street for the Department of Human Resources.

WHEREAS, The Department of Human Resources entered into a lease, which commenced on February 14, 1997 and expires on December 31, 2001, for the entire second floor and a portion of the seventh floor at 1145 Market Street for its Health Service System and Workers' Compensation Division; and

WHEREAS, The Health Service System required additional space to house increased staff in its claims division; and

WHEREAS, To provide additional space for the Health Service System the Workers' Compensation Division moved to 30 Van Ness Avenue in August 2000 and vacated its prior premises on portions of the second and seventh floors at 1145 Market Street; and

WHEREAS, The Health Service System occupied the vacated second floor premises and the Municipal Transportation Agency occupied the vacated seventh floor premises; and

WHEREAS, An amendment to lease ("First Amendment to Lease") was drafted, which addresses the extension of the Health Service System lease, reduction of the rentable area, determination of a new base rent and base year for expense pass throughs and provides City with a right of termination after three years, was approved by Landlord; now, therefore, be it

RESOLVED, In accordance with the recommendation of the Director, Department of Human Resources and the Director of Property, that the Mayor and the Clerk of the Board of Supervisors, on behalf of the City and County of San Francisco, as Tenant, be and they

are hereby authorized to execute a First Amendment to Lease substantially in the form on file with the Clerk of the Board of Supervisors in File No. 011929, with the Sangiacomo Trust, as Landlord, for the entire second floor premises at 1145 Market Street, San Francisco, comprising an approximate area of 13,576 rentable square feet for the Department of Human Resources' Health Service System; and, be it

FURTHER RESOLVED, The First Amendment to Lease shall commence on January 1, 2002 and expire on December 31, 2006, and, be it

FURTHER RESOLVED, That the base rent will be \$40,728 per month (\$3.00 per square foot per month) with additional charges for City's percentage share of increases in operating expenses and real estate taxes above the 2002 base year; and, be it

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

FURTHER RESOLVED, Said lease shall be in a form approved by the City Attorney and with the exception of City exercising its right of termination, effective on or after January 1, 2005, City shall occupy said premises for the entire lease term expiring on December 31, 2006 unless funds for rental payments are not appropriated in any subsequent fiscal year, at which time City may terminate this lease with written notice to Landlord, pursuant to Section 3.105 of the Charter of the City and County of San Francisco; and

FURTHER RESOLVED, That any action taken by any City employee or official with respect to this lease is hereby ratified and affirmed.

**RECOMMENDED:** 

\$244,368.00 Available Appropriation No. IGAGSAA 335020

Director of Property

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Department of Human Resources



## City and County of San Francisco Tails

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

## Resolution

File Number:	011929	Date Passed:
Resolution author	rizing extension and a of Human Resources.	mendment of a lease of real property at 1145 Market Street for
December 10, 200	01 Board of Superviso	ors — ADOPTED
	Ayes: 10 - Ammia Sandoval, Yee Absent: 1 - Newso	no, Daly, Gonzalez, Hall, Leno, Maxwell, McGoldrick, Peskin,
	File No. 011929	I hereby certify that the foregoing Resolution was ADOPTED on December 10, 2001 by the Board of Supervisors of the City and County of San Francisco.
	DEC 2 1 2001	Gloria L. Young Clerk of the Board

Date Approved

Mayor Willie L. Brown Jr.