

1 [Lease of Real Property - North Beach Retail Associates, LLC - 2449 and 2450 Taylor Street -
2 Initial Annual Rate \$7,920]

3 **Resolution retroactively approving a lease between North Beach Retail Associates,**
4 **LLC, as landlord, and the City and County of San Francisco, acting by and through the**
5 **San Francisco Municipal Transportation Agency (SFMTA), as tenant, for certain**
6 **premises at 2449 and 2450 Taylor Street, for a ten-year term to commence on January**
7 **1, 2014, through December 31, 2023, with a ten-year option at an initial annual lease**
8 **rate of \$7,920 with annual increases, for use as a SFMTA ticket sales room, restroom,**
9 **and break room for Muni operators and other authorized Muni and City personnel.**

10

11 WHEREAS, As part of a HOPE VI funded, mixed-use public housing rehabilitation
12 project administered by the Housing Authority at 2449 and 2450 Taylor Street, three rooms
13 were built for the SFMTA Muni operator restroom and break room, and ticket sales room; and

14 WHEREAS, The SFMTA previously entered into a lease with North Beach Retail
15 Associates, LLC, as Landlord, with a commencement date of December 23, 2004 for \$36,000
16 and a nine year term, with a six year option for \$36,000, the initial term of which ended
17 December 22, 2013; and

18 WHEREAS, To minimize legislative delay and to provide stability for the SFMTA, the
19 SFMTA opted to negotiate a new lease with North Beach Retail Associates instead of
20 exercising the six-year option from the previous Lease; and

21 WHEREAS, North Beach Retail Associates, LLC, is willing to lease certain premises at
22 2449 Taylor Street and 2450 Taylor Street, for use as a SFMTA ticket sales room and a
23 restroom and break room for Muni operators and other authorized Muni and City personnel for
24 a ten-year term with a ten-year option to extend the term, at an initial annual base rent of
25 \$7,920, plus an additional three percent increase every year, all on the terms and conditions

1 contained in a lease substantially in the form of the lease (Lease) on file with the Clerk of the
2 Board of Supervisors in File No. 140288, which is hereby declared to be a part of this
3 resolution as if set forth fully herein; and

4 WHEREAS, On February 18, 2014, the SFMTA Board of Directors approved the
5 proposed Lease through SFMTA Board Resolution No. 14-031, and directed the Director of
6 Transportation of the SFMTA to submit the proposed Lease to the City's Board of Supervisors
7 and Mayor for approval; now, therefore, be it

8 RESOLVED, That the Director of Transportation of the SFMTA is hereby authorized,
9 on behalf of the City, to execute the Lease and to take all actions under the Lease, including
10 the exercise of the extension option and the right to exercise the early termination right
11 described in the Lease; and, be it

12 FURTHER RESOLVED, That all actions heretofore taken by the officers of the City
13 with respect to the Lease are hereby approved, confirmed and ratified; and, be it

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

21 FURTHER RESOLVED, That the Lease shall be subject to certification as to funds by
22 the City's Controller, pursuant to Section 3.105 of the Charter; and, be it

23 FURTHER RESOLVED, That within thirty (30) days of the Lease being fully executed
24 by all parties the SFMTA shall provide the final Lease to the Clerk of the Board for inclusion
25 into the official file.