

1 [Lease of Real Property at 1390 Market Street]

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3 **Resolution authorizing the lease of 6,029 square feet of space in the building located at**
4 **1390 Market Street for the Office of Labor Standards Enforcement**

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6 WHEREAS, The Office of Labor Standards Enforcement enforces the City’s Minimum
7 Wage, Paid Sick Leave, Health Care Security, and Sweatfree Contracting ordinances, and
8 ensures that businesses who contract with the City comply with prevailing wage requirements,
9 the Minimum Compensation Ordinance, and the Health Care Accountability Ordinance; and

10 WHEREAS, The Real Estate Division has negotiated a lease for 6,029 rentable square
11 feet at 1390 Market Street which accommodates the requirements of the Office of Labor
12 Standards Enforcement and its projected staff increase; now, therefore, be it

13 RESOLVED, That in accordance with the recommendation of the Director of the Office
14 of Labor Standards Enforcement and the Director of Property, the Director of Property is
15 hereby authorized to take all actions, on behalf of the City and County of San Francisco, as
16 Tenant, to execute a lease with BRCP 1390 MARKET , LLC, as Landlord for 1390 Market
17 Street, San Francisco, California (the “Lease”), substantially in the form on file with the Clerk
18 of the Board of Supervisors in File No. 071231 ; and, be it

19 FURTHER RESOLVED, That the term of the Lease shall be five years with an
20 estimated commencement date of October 1, 2007 following the substantial completion of the
21 leasehold improvements and acceptance by City’s Director of Property (the “Commencement
22 Date”); and, be it

23 FURTHER RESOLVED, That the monthly base rent shall be \$14,831 upon
24 commencement, which includes full services by Landlord, and such rent shall escalate to

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1 \$15,314 per month in Year 2 , \$15,856 per month in Year 3, \$16,339 per month in Year 4 and
2 \$16,821 per month in Year 5 of the initial term; and, be it

3 FURTHER RESOLVED, That Landlord shall construct substantial leasehold
4 improvements at Landlord's sole cost and expense as more particularly described in the
5 Lease; and, be it

6 FURTHER RESOLVED, That Landlord shall cause the installation of modular work
7 stations at a cost not to exceed \$94,000 and City shall reimburse Landlord for such costs,
8 subject to City's prior approval of such costs and work in accordance with the Lease; and, be
9 it

10 FURTHER RESOLVED, That the Lease shall include a clause approved by the City
11 Attorney, indemnifying and holding harmless the Landlord from and agreeing to defend the
12 Landlord against any and all claims, costs and expenses, including, without limitation,
13 reasonable attorney's fees, incurred as a result of City's use of the premises, any default by
14 the City in the performance of any of its obligations under the Lease or any acts or omissions
15 of City or its agents, in, on or about the premises or the property on which the premises are
16 located, excluding those claims, costs and expenses incurred as a result of the active gross
17 negligence or willful misconduct of Landlord or its agents; and, be it

18 FURTHER RESOLVED, That all actions heretofore taken by any employee or official of
19 the City with respect to this Lease are hereby approved, confirmed and ratified; and, be it

20 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
21 Property to enter into any amendments or modifications to the Lease that the Director of
22 Property determines, in consultation with the City Attorney, are in the best interest of the City,
23 do not increase the rent or otherwise materially increase the obligations or liabilities of the
24 City, are necessary or advisable to effectuate the purposes of the Lease and are in
25 compliance with all applicable laws, including City's Charter.

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\$227,479
Index Code:
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Controller

RECOMMENDED:

Director
Office of Labor Standards Enforcement

Director of Property