

1 [License Amendment - 1250 Jones Street - Clay-Jones Apartment Owner's Association -
2 Department of Emergency Management - \$162,974.41 Total Rent in the First Year]

3 **Resolution authorizing a License Amendment which extends the original license for**
4 **ten years beyond the current license expiration of January 31, 2019, to January 31,**
5 **2029, for antenna and related space at 1250 Jones Street, with the Clay-Jones**
6 **Apartment Owner's Association, a California corporation, at \$11,286.25 monthly;**
7 **which amount shall increase annually on each February 1 beginning in 2016, plus a**
8 **one time fee of \$25,000 for \$162,974.41 total rent in the first year for the period**
9 **estimated to be November 1, 2015, through October 31, 2016.**

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11 WHEREAS, The Clay-Jones Apartment Owner's Association, as landlord, and
12 Motorola Inc., as tenant, entered into that certain Lease, dated October 1, 1996, pursuant
13 to which Motorola Inc. leased from landlord certain premises and antennae space in and on
14 the Site, which lease was modified by an Addendum to Lease, dated as of March 1, 1998,
15 (as so modified, the "Motorola Lease"); and

16 WHEREAS, Pursuant to its rights under the Motorola Lease, Motorola Inc., as
17 licensor, and City, as Licensee, entered into that certain Antenna Site License, executed as
18 of December 27, 1998, (the "Original License"), pursuant to which Motorola granted to City
19 the right to install, operate and maintain certain radio communication equipment and
20 related equipment and an emergency back-up generator on the Site; and

21 WHEREAS, Motorola Inc. has assigned to the Clay-Jones Apartment Owner's
22 Association and the Clay-Jones Apartment Owner's Association assumed from Motorola
23 Inc., all of Motorola Inc.'s rights and obligations as Licensor under the Original License, and
24 Licensor is successor to all of Motorola's interest in the Original License; and

1 WHEREAS, 1250 Jones Street is located near the top of Nob Hill in San Francisco
2 and provides excellent radio transmission coverage from a tower mounted on the roof; and

3 WHEREAS, The 1250 Jones Street site is one of eight antennae sites in the City
4 which provide the City's public safety (Police, Fire, and the City's other first responders)
5 radio and communications systems; and

6 WHEREAS, The City's equipment currently located at 1250 Jones Street includes
7 (1) an equipment room in the main building; (2) microwave dishes, omni-directional
8 antennas and panel antennas mounted on the tower and the roof of the building (3) space
9 for City's HVAC equipment on the building roof; (4) space for City's emergency generator
10 also on the building roof; (5) conduits, panels, and equipment necessary to connect such
11 emergency generator to the City's equipment; (6) conduits, panels and equipment
12 necessary to connect fiber between the City's equipment in the building and the tower to
13 City's fiber network in the street; and (7) connection of City equipment to the building's
14 grounding system; and

15 WHEREAS, The term of the Original License is presently scheduled to expire on
16 January 31, 2019; and

17 WHEREAS, San Francisco Department of Technology (DT) and San Francisco
18 Department of Emergency Management (DEM) who maintain the radio communication
19 system report the need to extend the License beyond 2019 to maintain public safety radio
20 communications; and

21 WHEREAS, DT and DEM also report the need to upgrade the current facilities and
22 the replacement project has been identified as a major IT Initiative in the City's Five-Year
23 Information & Communication Technology Plan for Fiscal Years 2016-2020, which was
24 approved by the Board of Supervisors on April 21, 2015, and

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1 WHEREAS, The City has allocated \$21.8 in funding in FY2015-2016 through
2 FY2016-2017 to begin a project to replace the current system; and

3 WHEREAS, The lease amendment will facilitate and support the improvements
4 needed for the radio system to continue operations for the next 10-15 years; and

5 WHEREAS, The Real Estate Division has negotiated a proposed First Amendment
6 to Antenna Site License (“Agreement”) for an extension with the Clay-Jones Apartment
7 Owner’s Association, a California corporation, as Licensor which would provide the
8 continuation of the necessary facilities to operate the public safety radio transmission
9 facility for up to 30 years (10 year initial lease term beyond the current 2019 License
10 expiration date plus four 5-year options at a known rentals) for the existing Premises which
11 also (i) allows for DT/ DEM’s Radio Replacement Project and (ii) provides for equipment
12 flexibility over the 30 year term to add and remove antennas as warranted by the City’s
13 communications needs; and

14 WHEREAS, The Agreement is subject to enactment of a resolution by the Board of
15 Supervisors and the Mayor, in their respective sole and absolute direction, approving and
16 authorizing such Agreement; now, therefore, be it

17 RESOLVED, In accordance with the recommendation of the Director of the
18 Department of Emergency Management and the Director of the Real Estate Division, that
19 the Director of Property is hereby authorized on behalf of the City and County of San
20 Francisco as Licensee, to execute an Amendment, a copy of which is on file with the Clerk
21 of the Board of Supervisors in File No. 150966, for an additional period of ten years on the
22 terms and conditions contain therein with the Clay-Jones Apartment Owner’s Association, a
23 California corporation, as Licensor; and, be it

1 FURTHER RESOLVED, The Agreement shall commence upon the mutual execution
2 of the Agreement (expected to be about November 1, 2015), and expire on January 31,
3 2029, and, be it

4 FURTHER RESOLVED, That the Base Rent will be \$11,286.25 per month which
5 shall increase annually by 2.5% on February 1, 2016, February 1 2017, and February 1
6 2018, and then by 4% on each February 1, beginning in 2019; and, be it

7 FURTHER RESOLVED, City shall pay a one time fee of \$25,000; and, be it

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

16 FURTHER RESOLVED, That any action taken by any City employee or official with
17 respect to this license is hereby ratified and affirmed; and, be it

18 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
19 Property to enter into any amendments or modifications to the License (including without
20 limitation, the exhibits) that the Director of Property determines, in consultation with the City
21 Attorney, are in the best interest of the City, do not increase the rent or otherwise materially
22 increase the obligations or liabilities of the City by more than fifteen percent (15%), are
23 necessary or advisable to effectuate the purposes of the License or this resolution, and are in
24 compliance with all applicable laws, including City's Charter; and, be it

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1 FURTHER RESOLVED, City shall occupy said premises for the entire lease term
2 unless funds for rental payments are not appropriated in any subsequent fiscal year, at
3 which time City may terminate this lease with written notice to Landlord, pursuant to
4 Charter, Section 3.105, of the City and County of San Francisco; and, be it

5 FURTHER RESOLVED, That within thirty (30) days of the agreement being fully
6 executed by all parties, the Director of Real Estate shall provide a copy of the Agreement to
7 the Clerk of the Board for inclusion into the official file.

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1 RECOMMENDED:

\$116,700.78 Total Available
(Base Rent 11/1/15 to 6/30/16
Plus \$25,000)

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Index Code: 770218
Fund: 1GAGFAAA

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Controller

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Director of Property

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Director
Department of Emergency Management

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