

1 [Lease of Real Property]

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3 **Resolution authorizing a lease of approximately 13,706 square feet of space at 1650**
4 **Mission Street for the Department of Building Inspection for a term of five years.**

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6 BE IT RESOLVED, That in accordance with the recommendation of the Director of the
7 Department of Building Inspection and the Director of Property, the Director of Property is
8 hereby authorized to take all actions on behalf of the City and County of San Francisco, as
9 tenant, to execute a written lease (the "Lease") (a copy of which is on file with the Clerk of the
10 Board) and other related documents with G&I Mission, LLC ("Landlord"), for Suites 302 and
11 312 of the building commonly known as 1650 Mission Street, San Francisco, California, which
12 comprises an area of approximately 13,706 sq. ft. (the "Premises") on the terms and
13 conditions set forth herein, and on a form approved by the City Attorney; and, be it

14 FURTHER RESOLVED, That the Lease shall commence upon the later of (i) exchange
15 of a mutually executed agreement, or (ii) August 1, 2003, whichever is later and terminate July
16 31, 2008 (an initial term of five years). The monthly rent shall be ~~\$34,539.12~~ \$34,510.36
17 (approximately \$30.24 per square foot per year or \$2.52 per square foot per month) and due
18 and payable on the first day of each month for the entire Lease term and shall include an
19 initial allowance of \$115,637.50. The Lease shall be fully serviced with the Landlord paying
20 for standard electricity, water, sewer, janitorial services, security services and building
21 maintenance and repairs; and, be it

22 FURTHER RESOLVED, That the City shall have one (1) option to renew the Lease for
23 an additional term of five years at ninety five per cent (95%) of the then fair market rental; and,
24 be it

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1 FURTHER RESOLVED, That the Lease shall include a clause approved by the City
2 Attorney, indemnifying, holding harmless, and defending Landlord and its agents from and
3 against any and all claims, costs and expenses, including without limitation, reasonable
4 attorneys' fees, incurred as a result of any default by the City in the performance of any of its
5 material obligations under the Lease, or any negligent acts or omissions of the City or its
6 agents, in, on, or about the Premises or the property on which the Premises are located,
7 excluding those claims, costs and expenses incurred as a result of the gross negligence or
8 willful misconduct of the Landlord or its agents; and, be it

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

11 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
12 Property to take all actions required to terminate the existing lease at 1650 Mission, dated
13 June 7, 1996, as amended, as it pertains to Suites 302 and 312 and to enter into any
14 amendments or modifications to the Lease (including, without limitation, the exhibits) that the
15 Director of Property determines, in consultation with the City Attorney, are in the best interest
16 of the City, do not increase the rent or otherwise materially increase the obligations or
17 liabilities of the City, are necessary or advisable to effectuate the purposes of the Lease or
18 this resolution, and are in compliance with all applicable laws, including the City Charter; and,
19 be it

20 FURTHER RESOLVED, That the City shall occupy the entire Premises for the full term
21 of the Lease unless funds for the Department of Building Inspection's rental payments are not
22 appropriated in any subsequent fiscal year at which time the City may terminate the Lease
23 with reasonable advance notice to Landlord. Said Lease shall be subject to certification as to
24 funds by the Controller, pursuant to Section 6.302 of the City Charter.

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\$264,292.82 Available
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Controller
Subject to the enactment of the Annual Appropriation
Ordinance for FY 2003/2004

RECOMMENDED:

Department of Building Inspection

Director of Property
Real Estate Division