

1 [Lease of Real Property – 1390 Market Street]

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3 **Resolution authorizing the exercise of a five year option to extend the lease of**  
4 **approximately 9,397 square feet of space at 1390 Market Street for the Department of**  
5 **Children, Youth and their Families.**

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7 WHEREAS, The City and API Fox Plaza, LLC., Landlord, executed a lease dated  
8 March 6, 2006, authorized by Resolution 840-05 for Premises consisting of 9,397 sq. ft. in  
9 Suites 900, 902, and 903 at the building commonly known as Fox Plaza, 1390 Market Street;  
10 and

11 WHEREAS, BRCP 1390 Market, LLC, is successor in interest to API Fox Plaza, LLC.;

12 and

13 WHEREAS, Such Lease expires on November 30, 2010 and contains an option to  
14 extend the terms for another five years on the same terms and conditions except that the  
15 Base Monthly Rental is to be adjusted to 95% of the market rental value; and

16 WHEREAS, Pursuant to the terms of such option, the Real Estate Division and the  
17 Landlord have negotiated such 95% of fair market rental, considering all factors; and

18 WHEREAS, Such terms for the option are subject to enactment of a resolution by the  
19 Board of Supervisors and the Mayor, in their respective sole and absolute direction, approving  
20 and authorizing such exercise; now, therefore, be it

21 RESOLVED, That in accordance with the recommendation of the Director of the  
22 Department of Children, Youth and their Families and the Director of Property, the Director of  
23 Property is hereby authorized to take all actions on behalf of the City and County of San  
24 Francisco, as tenant, to extend the Lease (copy of original lease on file with the Clerk of the  
25 Board) with BRCP 1390 Market, LLC ("Landlord"), for the building commonly known as Fox

1 Plaza, 1390 Market Street, San Francisco, California, for the area of approximately 9,397sq.  
2 ft. (the "Premises") on the terms and conditions set forth herein, and on a form approved by  
3 the City Attorney; and, be it

4 FURTHER RESOLVED, That the Lease extension shall be for a term of 5 years at a  
5 base rent of \$19,185.54 per month, (approximately \$24.50 per sq. ft. annually), fully serviced.  
6 Beginning December1, 2011, the base rate shall be annually increased by \$783.08 per month  
7 (approximately \$1.00 psf per year). The Landlord shall pay for utilities, janitorial services, and  
8 building maintenance and repairs; and, be it

9 FURTHER RESOLVED, That the Lease shall continue to include the lease clause,  
10 indemnifying, holding harmless, and defending Landlord and its agents from and against any  
11 and all claims, costs and expenses, including without limitation, reasonable attorneys' fees,  
12 incurred as a result of any default by the City in the performance of any of its material  
13 obligations under the Lease, or any negligent acts or omissions of the City or its agents, in,  
14 on, or about the Premises or the property on which the Premises are located, excluding those  
15 claims, costs and expenses incurred as a result of the negligence or willful misconduct of the  
16 Landlord or its agents; and, be it

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

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

1 FURTHER RESOLVED, That the City shall occupy the entire Premises for the full term  
2 of the Lease unless funds for the Department of Children, Youth and their Families' rental  
3 payments are not appropriated in any subsequent fiscal year at which time the City may  
4 terminate the Lease with advance notice to Landlord. Said Lease shall be subject to  
5 certification as to funds by the Controller, pursuant to Section 6.302 of the City Charter.

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\$235,903.79 Available  
(5 mos. @ \$20,321.02 plus  
7 mos. @ \$19,185.54)  
Children's Fund 235002

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Controller

Subject to the enactment of the Annual Appropriation Ordinance for Fiscal Year 2010/2011.

**RECOMMENDED:**

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Department of Children, Youth and their Families

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Director of Property  
Real Estate Division