

1 [Real Property Lease - Raul and Denise Arriaza and The Olson Family Trust Dated  
2 October 16, 2014 - 1305, 1309 Evans Street - \$456,840 Annual Base Rent]

3 **Resolution authorizing the lease of approximately 12,690 square feet at 1305, 1309**  
4 **Evans Street with 13 parking stalls, with Raul and Denise Arriaza, as to an undivided**  
5 **50% interest and The Olson Family Trust dated October 16, 2014, as to an undivided**  
6 **50% interest, for a five year term commencing upon approval by the Board of**  
7 **Supervisors and Mayor, with one option to extend for five years, at the monthly base**  
8 **rent of \$38,070 for a total annual base rent of \$456,840.**

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10 WHEREAS, The Department of Public Health (the “DPH”) currently operates its  
11 Children’s System of Care Program and Family Mosaic Project at 1305-1309 Evans Avenue  
12 providing valuable services to the community since 2002; and

13 WHEREAS, The Real Estate Division, on behalf of the DPH, has negotiated a new  
14 lease, substantially the form on file with the Clerk of the Board of Supervisors in File No.  
15 180377, which is hereby declared to be a part of this resolution as if set forth fully herein (the  
16 “Lease”) to continue the DPH services at the site comprising approximately 12,690 square  
17 feet; and

18 WHEREAS, The term of the lease shall be for five (5) years commencing upon  
19 approval by the Board of Supervisors and Mayor in their respective sole and absolute  
20 discretion; and,

21 WHEREAS, The City shall have one additional five (5) year option term to extend the  
22 lease at 95% of the then prevailing fair market rent, subject to the enactment of a resolution  
23 by the Board of Supervisors and the Mayor, in their respective sole and absolute discretion,  
24 approving and authorizing the same; and

25 WHEREAS, The base monthly rent of \$38,070 is flat for the five year initial term; and

1           WHEREAS, Raul and Denise Arriaza as to an undivided fifty percent (50%) interest  
2 and the Olson Family Trust dated October 16, 2014, as to an undivided fifty percent (50%)  
3 interest (“Landlord”) shall be responsible for the cost of all utilities and janitorial services; now,  
4 therefore, be it

5           RESOLVED, That in accordance with the recommendation of the Director of the  
6 Department of Public Health and the Director of Property, the Director of Property is hereby  
7 authorized to take all actions, on behalf of the City and County of San Francisco as Tenant to  
8 enter into the Lease; and, be it

9           FURTHER RESOLVED, The monthly base rent for the initial five year term shall be  
10 \$38,070 (\$3 per square foot); and be it

11           FURTHER RESOLVED, Landlord shall be responsible for the cost of all utilities and  
12 janitorial services; and be it

13           FURTHER RESOLVED, The City shall have one additional option term of five years at  
14 95% of the then prevailing fair market rent subject to the enactment of a resolution by the  
15 Board of Supervisors and the Mayor, in their respective sole and absolute discretion,  
16 approving and authorizing the same; and be it

17           FURTHER RESOLVED, The City agrees to indemnify, defend, and hold harmless  
18 Landlord and its agents from and against any and all claims, costs, and expenses, including  
19 without limitation, reasonable attorney fees, incurred as a result of (a) City’s use of the  
20 Premises, (b) any default by the City in the performance of any of its obligations under the  
21 lease, or (c) any acts or omissions of City or its agents, in, on or about the Premises or the  
22 property on which the Premises are located, provided however City shall not be obligated to  
23 indemnify Landlord or its agents to the extent any claim, cost and expense arises out of  
24 active gross negligence or willful misconduct of Landlord or its agents; and be it

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1           FURTHER RESOLVED, That any action heretofore taken by any City employee or  
2 official with respect to the exercise of the lease as set forth herein is hereby approved,  
3 confirmed and ratified; and be it

4           FURTHER RESOLVED, The Board of Supervisors approves the lease in substantially  
5 the form in the Board's File and authorizes the Director of Property to take all actions, on  
6 behalf of City, to enter into any amendments or modifications (including without limitation, the  
7 exhibits) to the lease on the terms and conditions herein and form approved by the City  
8 Attorney that the Director of Property determines, in consultation with the City Attorney, are in  
9 the best interest of the City, do not increase the rent or otherwise materially increase the  
10 obligations or liabilities of the City, are necessary or advisable to effectuate the purposes and  
11 intent the lease and this resolution and are in compliance with all applicable laws, including  
12 City's Charter; and be it

13           FURTHER RESOLVED, The City shall occupy the entire Premises for the full term of  
14 the lease unless funds for the City's rental payments are not appropriated in any subsequent  
15 fiscal year at which time City may terminate the lease with reasonable advance written notice  
16 to Landlord; and be it

17           FURTHER RESOLVED, Such termination shall then be effective upon surrender of the  
18 Premises, and be it

19           FURTHER RESOLVED, Said lease shall be subject to certification of funds by the  
20 Controller, pursuant to Section 3.105 of the Charter of the City and County of San Francisco;  
21 and be it

22           FURTHER RESOLVED, That within thirty (30) days of the lease agreement being fully  
23 executed by all parties the Director of Property shall provide a copy of the Lease agreement to  
24 the Clerk of the Board to include into the official file.

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1 RECOMMENDED:

2 \$76,140 Available  
3 PS Fund ID – 10000  
4 PS Dept ID – 251962  
5 PS Project ID – 10001793  
6 PS Activity ID – 01  
7 PS Authority – 10000

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7 Controller

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9 RECOMMENDED:

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11 Barbara Garcia, Director  
12 Department of Public Health

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13 RECOMMENDED:

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15 John Updike  
16 Director of Property  
17 Real Estate Division

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