

1 [Real Property Lease - Opera Plaza, L.P. - 601 Van Ness Avenue - \$363,132 Rent in Initial
2 Year]

3 **Resolution authorizing a Lease between the City and County of San Francisco, as**
4 **Tenant, and Opera Plaza, L.P., as Landlord, of office space located at 601 Van Ness**
5 **Avenue in San Francisco, consisting of approximately 8,646 rentable square feet, for an**
6 **initial term of five years to commence following Board approval, for use by the Human**
7 **Services Agency of San Francisco at \$30,261 monthly rent, totaling \$363,132 in the**
8 **initial year, with annual 3% increases and one five-year option to extend the term; and**
9 **finding the proposed transaction is in conformance with the General Plan, and the**
10 **eight priority policies of Planning Code, Section 101.1.**

11
12 WHEREAS, The Human Services Agency of San Francisco (“HSA”) promotes well-
13 being and self-sufficiency among individuals, families and communities in San Francisco; and

14 WHEREAS, HSA requires this lease to support its Records Management and MEDS
15 Unit as there is currently insufficient space at its current location at 1235 Mission Street; and

16 WHEREAS, The Planning Department, through General Plan Referral letter dated April
17 6, 2016, (“Planning Letter”), which is on file with the Clerk of the Board of Supervisors under
18 File No. 160428, has verified that the City’s lease of 601 Van Ness Avenue is consistent with
19 the General Plan, and the eight priority policies under Planning Code, Section 101.1; and

20 WHEREAS, At the request of HSA, the Real Estate Division and the Landlord have
21 negotiated a new lease agreement not above fair market rent; and

22 WHEREAS, The proposed Lease is subject to enactment of a resolution by the Board
23 of Supervisors and the Mayor, in their respective sole and absolute direction, approving and
24 authorizing such new Lease; now, therefore, be it

1 RESOLVED, That the Board of Supervisors hereby finds that the lease of 601 Van
2 Ness Avenue, is consistent with the City’s General Plan and Eight Priority Policies of Planning
3 Code Section 101.1 and hereby incorporates such findings by reference as though fully set
4 forth in this Resolution; and, be it

5 FURTHER RESOLVED, That in accordance with the recommendation of the Director
6 of HSA, that the Director of Property on behalf of the City and County of San Francisco, as
7 Tenant, is hereby authorized to take all actions necessary to execute a Lease with Opera
8 Plaza, L.P., a California limited partnership, on the terms and conditions contained herein and
9 in substantially the form as which is on file with the Clerk of the Board of Supervisors in File
10 No. 160428 at 601 Van Ness Avenue in San Francisco, California which is hereby declared to
11 be a part of this resolution as if set forth fully herein; and, be it

12 FURTHER RESOLVED, The monthly base rent shall be \$30,261 (\$42.00 per square
13 foot annually) commencing on or around May 15, 2016, net of electric, subject to annual rent
14 adjustments of three percent (3%); and be it

15 FURTHER RESOLVED, That the Lease shall indemnify and hold harmless the
16 Landlord from, and agreeing to defend the Landlord against, any and all claims, costs and
17 expenses, including without limitation, reasonable attorney’s fees, incurred as a result of City’s
18 use of the premises, any default by the City in the performance of any of its obligations under
19 the Master Lease, or any acts or omissions of City, its agents or its subtenants in, on or about
20 the premises or the property on which the premises are located; and, be it

21 FURTHER RESOLVED, That the Director of Property shall be authorized to enter into
22 any additions, amendments or other modifications to the Lease (including, without limitations,
23 the exhibits) that the Director of Property determines, in consultation with the City Attorney,
24 are in the best interests of the City, do not materially increase the obligations or liabilities of
25

1 the City, and are necessary or advisable to complete the transaction and effectuate the
2 purpose and intent of this resolution; and, be it

3 FURTHER RESOLVED, Said Lease shall be subject to certification as to funds by the
4 Controller as provided in Section 23.23, pursuant to Charter, Section 3.105; and, be it

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

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TFY 15/16 Funds Available: \$62,683.50

Index code: 45ADOH
Sub Object: 03011

Controller

Future funding subject to approval of the FY
16/17 Annual Appropriation Ordinance

RECOMMENDED:

Executive Director
Human Services Agency

Director
Real Estate Division