

1 [License with Telx to Use Property - 200 Paul Street]

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3 **Resolution authorizing the license of space and services with Telx at 200 Paul Street**
4 **for the Department of Technology.**
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6 WHEREAS, The Department of Technology requires connectivity to the internet and
7 the fiber network to operate the City's mission critical data operations; and

8 WHEREAS, THE TELX GROUP, INC., a Delaware Corporation ("Licensor" or "Telx"
9 provides the only interconnectivity services at 200 Paul Street; and

10 WHEREAS, The Department of Technology recommends the proposed lease; and;
11 now, therefore, be it

12 RESOLVED, That in accordance with the recommendation of the Director of the
13 Department of Technology, the Director of Property is hereby authorized to take all actions on
14 behalf of the City and County of San Francisco, as tenant, to execute a license (copy of the
15 proposed license is on file with the Clerk of the Board) with THE TELX GROUP, INC., a
16 Delaware corporation, on behalf of itself and its wholly-owned subsidiaries (collectively,
17 "Licensor"), for server rack and space in the building commonly known as 200 Paul Street,
18 San Francisco, California, for the 24 pair connectivity housed in cabinet 521 on the third floor
19 as more particularly described in the license on the terms and conditions set forth herein, and
20 on a form approved by the City Attorney; and, be it

21 FURTHER RESOLVED, That the Lease shall be for a term of two (2) *years*
22 commencing on February 1, 2011 and terminating on January 31, 2013. The lease shall be
23 include three (3) options to extend the term for one (1) year each on the same terms and
24 conditions except the base rent shall be increased for each option period by three percent
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1 (3%) by providing 9 months advance notice. The base rent during the initial term shall be
2 \$6,000 per month. The Landlord shall pay for utilities, janitorial services, and building
3 maintenance and repairs; and, be it

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

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

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

21 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
22 Property to exercise any or all of the options to extend the term if the Director of Property
23 determines, in consultation with the Director of the Department of Technology and the City
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1 Attorney, that such extended term is in the best interest of the City and are in compliance with
2 all applicable laws, including the City Charter; and, be it

3 FURTHER RESOLVED, That the City use the License for the full term of the License
4 unless funds for the Department of Technology’s rental payments are not appropriated in any
5 subsequent fiscal year at which time the City may terminate the License. Said Lease shall be
6 subject to certification as to funds by the Controller, pursuant to Section 6.302 of the City
7 Charter.

8 \$30,000 Available (5 mos.@ \$6,000 per month)
9 Project: PTI001
10 Index Code: 750600

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Controller

13 **RECOMMENDED:**

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17 Department of Technology

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20 Director of Property
21 Real Estate Division