

1 [Real Property Lease Expansion - KLW, LLC - 3120 Mission Street]

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3 **Resolution authorizing the amendment of an existing lease at 3120 Mission Street with**
4 **KLW, LLC, to expand the premises by approximately 5,000 square feet for the Human**
5 **Services Agency.**

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7 WHEREAS, The Human Services Agency (HSA) has leased approximately 37,000 sq.
8 ft. at 3120 Mission Street (the "Premises") from KLW, LLC, a California limited liability
9 company (the "Landlord") since July 1, 2001 (lease authorized by Board of Supervisors
10 Resolution 413-01) to provide the public with essential job readiness, counseling and
11 placement services; and

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13 WHEREAS, In 2008, the lease was amended to add 2,251 sq. ft. to the Premises
14 (lease amendment authorized by Board of Supervisors Resolution 402-08) to expand the
15 services provided to the public; and

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16 WHEREAS, The recession of 2009 produced unemployment rates statewide of 12%
17 and greater in some socio economic groups; and

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18 WHEREAS, The Federal Government, through the American Recovery and
19 Reinvestment Act (ARRA) Program, provided funding to local agencies for subsidized
20 employment services; and

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21 WHEREAS, The Human Services Agency used ARRA funding to lease temporary
22 space from Landlord at 3125 Mission Street to further augment the existing space at 3120
23 Mission Street to meet this increased demand for employment services; and

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24 WHEREAS, The 3125 Mission Street facilities among other uses, provide classrooms
25 and job fair areas and have become integral to the services provided at 3120 Mission Street;
and

1 WHEREAS, The integrated facilities have proven highly success resulting in more than
2 twelve hundred (1200) job placements during the first ten months in FY11-12; and

3 WHEREAS, The Director of Property believes the proposed lease transaction
4 represents Fair Market Rent for the expansion area; now, therefore, be it

5 RESOLVED, That in accordance with the recommendation of the Director of the
6 Human Services Agency 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 amend the lease for the building commonly known as 3120 Mission Street, San Francisco,
9 California (a copy of the lease amendment is on file with the Clerk of the Board of Supervisors
10 in File No. 120583, which is hereby declared to be a part of this resolution as if set forth fully
11 herein) and on terms contained herein; and, be it

12 FURTHER RESOLVED, That the Lease Amendment for 3120 Mission Street shall
13 expand the Premises by 5,000 sq. ft. from 39,251 sq. ft. to 44,251 sq. ft. at an additional
14 monthly rent of \$10,000.00 (\$2.00 per sq. ft.); and, be it

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

23 FURTHER RESOLVED, That all actions heretofore taken by the officers of the City
24 with respect to such Lease Amendment is hereby approved, confirmed and ratified; and, be it
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1 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
2 Property to enter into any amendments or modifications to the Lease Amendment (including,
3 without limitation, the exhibits) that the Director of Property determines, in consultation with
4 the City Attorney, are in the best interest of the City, do not increase the rent or otherwise
5 materially increase the obligations or liabilities of the City, are necessary or advisable to
6 effectuate the purposes of the Lease or this resolution, and are in compliance with all
7 applicable laws, including the City Charter; and, be it

8 FURTHER RESOLVED, That the City shall continue to occupy the entire Premises for
9 the full term of the Lease unless funds for rental payments are not appropriated in any
10 subsequent fiscal year at which time the City may terminate the Lease with advance notice to
11 Landlord. Said Lease shall be subject to certification as to funds by the Controller, pursuant
12 to Section 6.302 of the City Charter.

\$120,00.00 Available
(Additional Rent 7/1/012 to 6/30/13)
Index No. 45ADOH/03011

Controller
Subject to the enactment of the 2012/2013
Annual Appropriation Ordinance

20 RECOMMENDED:

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22 _____
23 Human Services Agency

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25 _____
Acting Director of Property
Real Estate Division

Real Estate Division
BOARD OF SUPERVISORS