[Real Property Lease - T-Mobile West LLC - 1 South Van Ness Avenue - \$60,000 Per Year Base Rent]

Resolution authorizing and approving the lease of telecommunications facilities on the roof at 1 South Van Ness Avenue with T-Mobile West LLC, a California limited liability company, for an initial ten-year term at a base rent of \$60,000 with an annual adjustment to the base rent of 3% per year, to commence upon execution after approval by the Board of Supervisors and Mayor, with two five-year options to extend.

WHEREAS, The City, through its Real Estate Division and with consultation from the Office of the City Attorney, and Tenant have negotiated the proposed lease ("Lease"), which provides an initial Base Rent of \$60,000 per year (\$5,000 per month) with an annual adjustment to the Base Rent of 3% on each anniversary of the Lease and includes two five-year options to extend the Lease; and

WHEREAS, Tenant warrants that it has acquired all licenses, permits, and other approvals required for the operation of the Tenant's telecommunications facilities; and

WHEREAS, Individual cellular company network needs typically make competitive bidding impractical, but approval of this Lease shall not preclude another cellular carrier from installing facilities atop the same property in the future; and

WHEREAS, The Tenant shall be responsible for all utilities and services for the use of the telecommunications site within the Premises; and

WHEREAS, The City's Planning Department (the "Planning Department") determined that the Project is categorically exempt under the California Environmental Quality Act ("CEQA") Guidelines, Sections 15301 and found that the Lease is consistent with the General Plan, and with the eight priority policies of Planning Code, Section 101.1 for the reasons set forth in the May 23, 2017, letter from the Planning Department, which is on file with the Clerk

of the Board of Supervisors in File No. 170646, and is incorporated herein by reference; now, therefore, be it

RESOLVED, That the Board hereby finds that the Lease is consistent with CEQA and is consistent with the General Plan, and with the eight priority policies of Planning Code, Section 101.1 for the reasons set forth in the May 23, 2017, letter from the Planning Department; and, be it

FURTHER RESOLVED, That in accordance with the recommendation of the Director of Property, that the Director of Property on behalf of the City, as Landlord, be and is hereby authorized to take all actions necessary to execute the Lease (a copy of which is on file with the Clerk of the Board of Supervisors in File No. 170646) at 1 South Van Ness Avenue, in San Francisco, California, at a Base Rent of \$60,000 per year, for an initial 10 year-term, with an annual adjustment to the base rent of 3% per year and two five-year options to extend; and, be it

FURTHER RESOLVED, That the Director of Property shall be authorized to enter into any additions, amendments, or other modifications to the Lease that the Director of Property determines, in consultation with the City Attorney, are in the best interests of the City, do not materially increase the obligations or liabilities of the City, and are necessary or advisable to complete the transaction and effectuate the purpose and intent of this resolution; and, be it

FURTHER RESOLVED, That the Lease contains language indemnifying and holding harmless the Landlord, from and agreeing to defend the Landlord against any and all claims, costs and expenses, including without limitation, reasonable attorney's fees, incurred as a result of City's use of the Premises, any default by the City in the performance of any of its obligations under the Lease or any acts or omissions of city or its agents, in, on or about the Premises or the Property on which the Premises are located, including those claims costs and

expenses incurred as a result of negligence or willful misconduct of Landlord or its agents; and, be it

FURTHER RESOLVED, That the Board of Supervisors finds that competitive bidding procedures for award of the Lease were impractical or impossible due to Federal law and individual cellular company network needs; and, be it

FURTHER RESOLVED, That any action heretofore taken by any City employee or the Director of Property and other officers of the City with respect to the Lease are hereby approved, confirmed and ratified; and, be it

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

RECOMMENDED:

John Updike

Director of Real Estate



City and County of San Francisco **Tails**

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Resolution

File Number:

170646

Date Passed: July 25, 2017

Resolution authorizing and approving the lease of telecommunications facilities on the roof at 1 South Van Ness Avenue with T-Mobile West LLC, a California limited liability company, for an initial ten-year term at a base rent of \$60,000 with an annual adjustment to the base rent of 3% per year, to commence upon execution after approval by the Board of Supervisors and Mayor, with two five-year options to extend.

July 20, 2017 Budget and Finance Sub-Committee - RECOMMENDED AS COMMITTEE REPORT

July 25, 2017 Board of Supervisors - ADOPTED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

File No. 170646

I hereby certify that the foregoing Resolution was ADOPTED on 7/25/2017 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board