

1 [Lease of Real Property at 760 Harrison Street]

2

3 **Resolution authorizing extension of a lease of real property at**  
4 **760 Harrison Street for the Department of Public Health.**

5

6 WHEREAS, The City, for the Department of Public Health, entered into a lease  
7 dated November 1, 1996 for approximately 13,000 square feet of clinic space at 760  
8 Harrison Street, a two story concrete building with a partial basement and surface parking  
9 area, and the initial term will end on June 30, 2007, and

10 WHEREAS, The Lease contains two options to extend the term by five years at a  
11 rental rate equivalent to 95% of the then current fair market rate, and

12 WHEREAS, It has been agreed that \$25,350 per month (\$1.95 X 13,000 square  
13 feet) is 95% of fair market value base rent with a new base year for expense pass throughs  
14 of 2007; now, therefore, be it

15 RESOLVED, That in accordance with the recommendation of the Director Public  
16 Health and the Director of Property, the Board of Supervisors hereby approves the City's  
17 exercise of the option to extend the Lease for five years commencing on July 1, 2007; on  
18 the terms and conditions set forth in the lease, and authorizes the Director of Property to  
19 take all actions, on behalf of the City and County of San Francisco as may be required in  
20 furtherance of the City's exercise of the option; and, be it

21 FURTHER RESOLVED, The Board of Supervisors approves the following  
22 provisions, as more particularly set forth in the Lease:

23 (a) The Term of the extension option shall commence on July 1, 2007 and  
24 shall end on June 30, 2012;

25

- 1 (b) The monthly base rent shall be \$25,350 (\$1.95 per square foot X 13,000  
2 square feet), industrial gross rent, flat for the term of the extension and  
3 with a new base year for expense pass throughs of 2007;
- 4 (c) Landlord shall add to the Lease, for City's use, the small concrete block  
5 storage building on lot 53 and two more parking spaces;
- 6 (d) Landlord shall, at Landlord's cost, paint the building exterior and interior  
7 with colors mutually agreeable to Landlord and City;
- 8 (e) Landlord shall at Landlord's cost replace worn carpet and linoleum as  
9 directed with colors and quality mutually agreed upon;
- 10 (f) City shall continue to pay janitorial costs and shall pay for garbage  
11 removal commencing July 1, 2007; and, be it

12 FURTHER RESOLVED, That City has a further option to renew for one (1) five (5) year  
13 period with the rent to be adjusted to 95% of the then prevailing fair market rent, otherwise on  
14 the same terms and conditions. City shall provide Landlord with one hundred and eighty  
15 (180) days advance notice to exercise the option; and, be it

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

24 FURTHER RESOLVED, That any action taken by any City employee or official with  
25 respect to this lease is hereby ratified and affirmed; and, be it

1           FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
2 Property to enter into any amendments or modifications to the Lease (including without  
3 limitation, the exhibits) that the Director of Property determines, in consultation with the City  
4 Attorney, are in the best interest of the City, do not increase the rent or otherwise materially  
5 increase the obligations or liabilities of the City, are necessary or advisable to effectuate the  
6 purposes of the Lease or this resolution, and are in compliance with all applicable laws,  
7 including City's Charter; and, be it

8           FURTHER RESOLVED, Said lease shall be in a form approved by the City Attorney  
9 and City shall occupy said premises for the entire extension term expiring on June 30, 2012  
10 unless funds for rental payments are not appropriated in any subsequent fiscal year, at  
11 which time City may terminate this lease with written notice to Landlord, pursuant to  
12 Section 3.105 of the Charter of the City and County of San Francisco.

13

14

15 RECOMMENDED:

\$304,200 Available  
Index No. HMHMCC730515,  
Sub Object 03000

16

17

18

19

\_\_\_\_\_  
Director of Property

20

\_\_\_\_\_  
Controller

21

22

\_\_\_\_\_  
Director  
Department of Public Health

23

24

25