FILE NO. 121035

RESOLUTION NO. 438 - 12

[Real Property Lease - Cort Family Living Trust - 760 Harrison Street - Department of Public Health - \$25,350 Per Month]

Resolution retroactively authorizing the extension of a lease of real property at 760 Harrison Street for the Department of Public Health with the Cort Family Living Trust for a term of an additional 5 years from July 1, 2012, to June 30, 2017, at a monthly rate of \$25,350.

WHEREAS, The City, on behalf of the Department of Public Health, entered into a Lease authorized by Resolution 644-96 commencing July 18, 1997 for approximately 13,000 square feet of clinic space at 760 Harrison Street with an initial term terminating on June 30, 2007; and

WHEREAS, The Lease contains two, five-year option periods at 95% of the then current fair market rent; and

WHEREAS, The first, five-year option period was authorized by Resolution 409-07 extending the initial term of the Lease from July 1, 2007, to June 30, 2012; and

WHEREAS, The remaining second, five-year option period extending the Lease term from July 1, 2012, to June 30, 2017, is subject to an enactment of a resolution approving and authorizing the exercise of said option by the Board of Supervisors and Mayor in their respective sole and absolute discretion; and

WHEREAS, The fair market rent for the second, five-year option period will continue at the existing monthly rate of \$25,350, or \$1.95 per square foot, with a new base year for pass through expenses of 2012; now, therefore, be it

RESOLVED, That in accordance with the recommendation of the Director of Public Health and the Acting Director of Property, the Board of Supervisors hereby retroactively approves the City's exercise of the option to extend the Lease term for five years

REAL ESTATE BOARD OF SUPERVISORS commencing on July 1, 2012 on the terms and conditions set forth in the Lease, a copy of which is included in Board of Supervisors File No. <u>121035</u>, and on a form approved by the City Attorney and authorizes the Acting Director of Property to take all actions, on behalf of the City and County of San Francisco as may be required in furtherance of the City's exercise of the option; and, be it

FURTHER RESOLVED, That the Lease includes a clause indemnifying, holding harmless, and defending the Landlord and its agents from and against any and all claims, costs and expenses, including without limitation, reasonable attorney fees incurred as a result of any default by the City in the performance of any of its material obligations under the Lease, or any negligent acts or omissions of the City, or its agents, in, on or about the Premises or the property on which the Premises are located, excluding those claims, costs and expenses incurred as a result of the negligence or willful misconduct of the Landlord or its agents; and, be it

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

FURTHER RESOLVED, That the Board of Supervisors authorizes the Acting Director of Property to enter into any amendments or modifications to the Lease (including without limitation, the exhibits) that the Acting Director of Property determines, in consultation with the City Attorney, are in the best interest of the City, do not increase the rent or otherwise materially increase the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes of the Lease or this resolution, such determination to be conclusively evidenced by the execution and delivery by the Acting Director of Property of any amendments thereto in compliance with all applicable laws, including City's Charter; and, be it

REAL ESTATE BOARD OF SUPERVISORS FURTHER RESOLVED, That City shall occupy said premises for the entire extension term expiring June 30, 2017 unless funds for rental payments are not appropriated in any subsequent fiscal year, at which time City may terminate the Lease with written notice to Landlord pursuant to Section 3.105 of the Charter of the City and County of San Francisco.

RECOMMENDED: Department of Public Health John Updike Acting Director of Property \$304,200 Available Appropriation No. HMHMCC 730515 Controller **REAL ESTATE BOARD OF SUPERVISORS**



City and County of San Francisco Tails Resolution

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

File Number: 121035

Date Passed: December 04, 2012

Resolution retroactively authorizing the extension of a lease of real property at 760 Harrison Street for the Department of Public Health with the Cort Family Living Trust for a term of an additional five years from July 1, 2012, to June 30, 2017, at a monthly rate of \$25,350.

November 28, 2012 Budget and Finance Committee - RECOMMENDED

December 04, 2012 Board of Supervisors - ADOPTED

Ayes: 10 - Avalos, Campos, Chiu, Chu, Elsbernd, Farrell, Kim, Mar, Olague and Wiener

Absent: 1 - Cohen

File No. 121035

I hereby certify that the foregoing Resolution was ADOPTED on 12/4/2012 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

Mayq

Date Approved