

1 [Ground Lease - United States Postal Service - Plot 10F - \$1,497,000 Initial Annual Rent]

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3 **Resolution retroactively approving a Ground Lease between the United States Postal**  
4 **Service, and the City and County of San Francisco, acting by and through its Airport**  
5 **Commission, for occupancy of approximately 8.61 acres of land, at an initial annual**  
6 **rent of \$1,497,000 and four five-year options to extend the term, for the period of**  
7 **September 1, 2017, through August 31, 2022.**

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9 WHEREAS, The United States Postal Service (the "Postal Service") occupies  
10 approximately 8.61 acres of land at Plot 10F, pursuant to Public Utilities Commission Lease  
11 No. 24392, for operation of an International Service Center ("ISC") at the San Francisco  
12 International Airport; and

13 WHEREAS, The lease provides for a current annual rent of \$1,054,574.11 and a term  
14 of fifty years, which term expired on August 31, 2017; and

15 WHEREAS, The Postal Service desires to continue occupancy of Plot 10F pursuant to  
16 a new ground lease in order to continue operation of the ISC; and

17 WHEREAS, Airport staff has negotiated a new ground lease with the Postal Service  
18 with an initial annual rent of \$1,497,000 and a term of five years and four five-year options to  
19 extend the term, at the Airport's discretion, but subject to the Postal Service's approval of  
20 funding (the "Lease"); and

21 WHEREAS, On September 19, 2017, pursuant to Resolution No. 17-0232, the Airport  
22 Commission approved Lease L17-0232 with the Postal Service for 8.61 acres of land at  
23 Plot 10F, with an initial annual rent of \$1,497,000 and a term of five years and four five-year  
24 options to extend the term, however, the aforementioned Resolution cited an annual rent  
25 of \$1,445,600 in error; and

1           WHEREAS, Subsequently, on December 19, 2017, pursuant to Resolution  
2 No. 17-0325, the annual rent was corrected and restated as \$1,497,000 and the initial  
3 Resolution number was replaced by Resolution No. 17-0325; and

4           WHEREAS, A copy of the form of the Lease is on file with the Clerk of the Board of  
5 Supervisors in File No. 180154, which is hereby declared to be a part of this Resolution as if  
6 set forth fully herein; now, therefore, be it

7           RESOLVED, That this Board of Supervisors hereby approves the Lease between the  
8 United States Postal Service and the City and County of San Francisco, acting by and through  
9 its Airport Commission, for approximately 8.61 acres of land at Plot 10F, with an annual rent  
10 of \$1,497,000 and a term of five years, and four five-year options to extend the term at the  
11 Airport's sole discretion, subject to the Postal Service's approval of funding, and subject to  
12 Board of Supervisors' approval; and, be it

13           FURTHER RESOLVED, That within 30 days of the contract being fully executed by all  
14 parties, the Airport Commission shall provide a copy of the final contract to the Clerk of the  
15 Board for inclusion into the official file.

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# City and County of San Francisco

## Tails Resolution

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

**File Number:** 180154

**Date Passed:** April 03, 2018

Resolution retroactively approving a Ground Lease between the United States Postal Service, and the City and County of San Francisco, acting by and through its Airport Commission, for occupancy of approximately 8.61 acres of land, at an initial annual rent of \$1,497,000 and four five-year options to extend the term, for the period of September 1, 2017, through August 31, 2022.

March 22, 2018 Budget and Finance Sub-Committee - AMENDED

March 22, 2018 Budget and Finance Sub-Committee - RECOMMENDED AS AMENDED

April 03, 2018 Board of Supervisors - ADOPTED

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

File No. 180154

I hereby certify that the foregoing  
Resolution was ADOPTED on 4/3/2018 by  
the Board of Supervisors of the City and  
County of San Francisco.

  
for Angela Calvillo  
Clerk of the Board

  
Mark E. Farrell  
Mayor

  
Date Approved