

1 [Real Property Lease Extension - Bayview Plaza, LLC - 3801 Third Street - \$543,901.56
2 Annual Base Rent]

3 **Resolution authorizing the Director of Property, on behalf of the Human Services**
4 **Agency, to exercise a five-year extension of a Lease between Bayview Plaza, LLC, as**
5 **landlord, and the City and County of San Francisco, as tenant, for the real property**
6 **located at 3801 Third Street, to commence on December 1, 2019, for a total term of**
7 **December 1, 2014, through November 30, 2024, at the initial monthly base rent of**
8 **\$45,325.13 for a total annual base rent of \$543,901.56.**

9
10 WHEREAS, The City and County of San Francisco, ("City" or "Tenant"), and Bayview
11 Plaza, LLC ("Landlord"), executed a lease dated December 2, 2014 (the "Lease"), authorized
12 by Board of Supervisors' Resolution No. 433-14, for 15,083 rentable square feet within Suites
13 200, 205, 210, 220, 230, 235, and 240 (the "Premises") in the building located at 3801 Third
14 Street in San Francisco, for use by the City's Human Services Agency ("HSA") for the
15 operation of its Family and Children's Services program; and

16 WHEREAS, The Lease contains an option to extend the Lease for five (5) years at a
17 "New Base Monthly Rental Rate" equal to 95% of fair market rental value, but in no event less
18 than the "Current Base Monthly Rental Rate" of \$3.01 per sq. ft. per month, or \$45,325.13 in
19 "Monthly Base Rent"; and

20 WHEREAS, The City's Real Estate Division, on behalf of HSA, negotiated the New
21 Base Monthly Rental Rate for the "Extension Term" beginning on December 1, 2019 and
22 expiring on November 30, 2024, will remain at the Current Base Monthly Rental Rate rather
23 than being adjusted to 95% of the Fair Market Rental Rate, which is determined to be at or
24 below 95% of the Fair Market Rental Rate; and

1 WHEREAS, Consistent with the terms of the Lease, the Extended Term's Base
2 Monthly Rental Rate of \$45,325.13 will continue to increase annually each year beginning on
3 December 1, 2020, by the Consumer Price Index Adjustments of no less than 3% and no
4 more than 5%; 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 Real Estate
7 is hereby authorized to take all actions on behalf of the City and County of San Francisco,
8 as Tenant, to extend the term of the Lease, and exercise the five (5) year extension for the
9 Extension Term beginning on December 1, 2019; and, be it

10 FURTHER RESOLVED, That commencing upon the lease extension period, the
11 monthly rent will stay as it is today at \$45,325.13 per month and will continue to increase
12 annually each year beginning on December 1, 2020, by the Consumer Price Index
13 Adjustments of no less than 3% and no more than 5%; and, be it

14 FURTHER RESOLVED, That any action taken by any City employee or official with
15 respect to the exercise of the extension provision contained in the Lease is hereby ratified
16 and affirmed; and, be it

17 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of Real
18 Estate to enter into any amendments or modifications to the Lease (including without
19 limitation, the exhibits) that the Director of Property determines, in consultation with the City
20 Attorney, are in the best interest of the City, do not increase the rent or otherwise materially
21 increase the obligations or liabilities of the City, are necessary or advisable to effectuate the
22 purposes of the lease or this Resolution, and are in compliance with all applicable laws,
23 including City's Charter.

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Available Funds: \$317,275.91
(Rent for Dec. 1, 2019 – June 30, 2020)

Fund ID: 10000
Department ID: 149657
PS Project ID: 10001700
Authority ID: 10000
Account ID: 530110
Activity ID: 0001



Controller

Funding for Fiscal Year 2020/2021 is subject to the enactment of the Annual Appropriation Ordinance for Fiscal Year 2020/2021

RECOMMENDED:



Human Services Agency
Executive Director


Director of Property 10/9/19



City and County of San Francisco
Tails
Resolution

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

File Number: 191050

Date Passed: November 19, 2019

Resolution authorizing the Director of Property, on behalf of the Human Services Agency, to exercise a five-year extension of a Lease between Bayview Plaza, LLC, as landlord, and the City and County of San Francisco, as tenant, for the real property located at 3801 Third Street, to commence on December 1, 2019, for a total term of December 1, 2014, through November 30, 2024, at the initial monthly base rent of \$45,325.13 for a total annual base rent of \$543,901.56.

November 13, 2019 Budget and Finance Committee - RECOMMENDED

November 19, 2019 Board of Supervisors - ADOPTED

Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

File No. 191050

I hereby certify that the foregoing
Resolution was ADOPTED on 11/19/2019
by the Board of Supervisors of the City and
County of San Francisco.

for Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

11/27/2019

Date Approved