[Real Property Lease Amendment - Townsend Associates, LLC - 650-5th Street - \$159,200 Annual Base Rent]

3 Resolution approving and authorizing the Director of Property, on behalf of the Department of Public Health, to amend the lease of real property located at 650-5th 4 5 Street, with Townsend Associates, LLC, at a base rent of \$159,200 per year with 3% 6 annual increases, for an initial term commencing upon approval of this Resolution and 7 expiring on June 30, 2026, plus two one-year options to extend; and authorizing the 8 Director of Property to execute documents, make certain modifications and take certain 9 actions in furtherance of the First Amendment, the Lease and this Resolution, as defined herein. 10

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WHEREAS, The Department of Public Health ("DPH") currently operates the Jail
Health Services (JHS) Administration Center at 650-5th Street (the "Property"), providing
overall comprehensive and integrated system of medical, psychiatric and substance abuse
services to inmates in the San Francisco Jails; and

16 WHEREAS, The City and County of San Francisco ("City", as tenant) originally entered into a lease dated May 9, 2016 (the 'Original Lease"), with Townsend Associates, LLC (as 17 "Landlord") of approximately 3,060 square feet of space ("Premises") for use as the JHS, a 18 19 copy of the Original Lease is on file with the Clerk of the Board in File No. 160710; and WHEREAS, The Original Lease will expire on June 30, 2020, and the Real Estate 20 21 Division ("RED"), in consultation with DPH and the Office of the City Attorney, negotiated an 22 amendment to the Original Lease (the "First Amendment") to amongst other things, extend the 23 term of the Original Lease, a copy of the proposed First Amendment is on file with the Clerk of 24 the Board in File No. 210737; and

25

1	WHEREAS, The First Amendment extends the term of the Lease (collectively, the				
2	Original Lease and First Amendment are the "Lease") until June 30, 2026, plus two additional				
3	options of one year each for the City to further extend the term (the extension "Options") at				
4	95% of fair market rental value; and				
5	WHEREAS, Base rent under the First Amendment will be \$159,200 per year, or				
6	\$14,790 per month (\$4.33 per sq. ft.), increasing annually by 3%; and				
7	WHEREAS, All other terms and conditions of the Lease will remain in full force and				
8	effect, including, among other things, City's obligation to pay for its utility usage; and				
9	WHEREAS, The Director of Property determines the rent payable under the First				
10	Amendment to be at or below fair market rental value; now, therefore, be it				
11	RESOLVED, That in accordance with the recommendation of the Director of Health,				
12	the Director of Property is hereby authorized to take all actions on behalf of the City to				
13	execute the First Amendment (including exercising the Options); and, be it				
14	FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of				
15	Property to enter into any amendments or modifications to the Lease (including without				
16	limitation, the exhibits) that the Director of Property determines, in consultation with the City				
17	Attorney, are in the best interest of the City, does not increase the rent or otherwise materially				
18	increase the obligations or liabilities of the City, are necessary or advisable to effectuate the				
19	purposes of the lease or this Resolution, and are in compliance with all applicable laws,				
20	including City's Charter; and, be it				
21	FURTHER RESOLVED, That all actions heretofore taken by the officers of the City				
22	with respect to the Lease are hereby approved, confirmed and ratified; and, be it				
23	FURTHER RESOLVED, That within thirty (30) days of the First Amendment being fully				
24	executed by all parties, RED shall provide the final First Amendment to the Clerk of the Board				
25	for inclusion into the official file.				

1		Available: \$159,200				
2		12 months' base rent				
		Fund ID:	10000			
3		Department ID:	251973			
4		Project ID:	10026702			
Б		Authority ID:	10000			
5		Account ID:	530000			
6		Activity ID:	001			
7						
8			_/s/			
9			Michelle Allersma, Budget and Analysis Division Director on behalf of Ben Rosenfield, Controller			
10						
11			Funding for Fiscal Year 2021/2022 is subject to the enactment of the Annual Appropriation Ordinance for Fiscal Year			
12						
			2021/2022			
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17						
18	/s/ Department of Public	c Health				
19	Director of Health					
20						
21						
22	<u>/s/</u> Real Estate Division					
23	Director of Property					
24	24					
25						



City and County of San Francisco Tails Resolution

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

File Number: 210737

Date Passed: July 27, 2021

Resolution approving and authorizing the Director of Property, on behalf of the Department of Public Health, to amend the lease of real property located at 650-5th Street, with Townsend Associates, LLC, at a base rent of \$159,200 per year with 3% annual increases, for an initial term commencing upon approval of this Resolution and expiring on June 30, 2026, plus two one-year options to extend; and authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of the First Amendment, the Lease and this Resolution, as defined herein.

July 21, 2021 Budget and Finance Committee - RECOMMENDED

July 27, 2021 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 210737

I hereby certify that the foregoing Resolution was ADOPTED on 7/27/2021 by the Board of Supervisors of the City and County of San Francisco.

Cra

Angela Calvillo Clerk of the Board

London N. Breed Mayor

8/4/21

**Date Approved**