



## San Francisco Department of Public Health

Greg Wagner  
Acting Director of Health

City and County of San Francisco  
London N. Breed  
Mayor

January 18, 2019

Honorable Board of Supervisors  
City and County of San Francisco  
Room 244, City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

### RE: DPH Lease Extension at 1360 Mission Street

Dear Board members:

Attached for your consideration is a resolution authorizing the execution of a lease amendment for the premises currently occupied by the Department of Public Health (DPH) for the operation of its IT Business Services unit, Service Management and IT Procurement unit, a staff of approximately 30.

The leased premises consists of one suite on the 4<sup>th</sup> floor comprised of 6,300 square foot rentable area, at 1360 Mission Street. The Department of Public Health has occupied this site since 1992.

This lease extension will commence upon Board and Mayor Approval and will run until September 2021 unless otherwise earlier terminated by the landlord. The new rent will be \$26,397 per month (\$321,300 per year or approximately \$51 per square foot annually), fully serviced. The monthly rent will adjust annually on the anniversary date at a rate of 3%. The City is presently paying \$25,610.18 per month or \$4.07 per square foot (\$401,628 per year, \$48.78 per square foot per year).

The City has negotiated a one-year option, upon written notice. However, the Landlord has reserved the option to rescind the option, by giving the City notice, by no later than September 21, 2019. If rescinded, then the term shall expire on September 21, 2020.

The Real Estate Division recommends approval of the lease. If you have any questions regarding this matter, please contact Jeff Suess of the Real Estate Division office at 415-554-9873.

Sincerely,

A handwritten signature in cursive script that reads "Greg Wagner".

Greg Wagner  
Acting Director of Health