

1 [Real Property Lease - William J. Piedmonte - 729 Filbert Street - \$531,216 Annual Base
2 Rent]

3 **Resolution authorizing the Director of Real Estate to enter into a Lease of real**
4 **property located at 729 Filbert Street with William J. Piedmonte, as landlord, for a**
5 **five-year term to commence upon approval by the Board of Supervisors, at the**
6 **monthly base rent of \$44,268 for a total annual base rent of \$531,216.**

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8 WHEREAS, The City, on behalf of the Department of Public Health (“DPH”) entered
9 into a lease in 2003 with William J. Piedmonte, as Landlord, for the Premises comprising
10 approximately 11,067 square feet of space used as a mental health outpatient clinic located
11 at 729 Filbert Street (the “Original Lease”); and

12 WHEREAS, The Real Estate Division (“RED”) on behalf of DPH, negotiated a “New
13 Lease” at a monthly base rent of \$44,268 or \$4 per square foot, increasing annually at CPI
14 not to be less than 2% or greater than 5%, net of utilities, custodial and other services for
15 the Premises, for the five year extension term; and

16 WHEREAS, RED negotiated the New Lease to require (i) certain leasehold
17 improvements to be provided by Landlord with City responsible for up to only \$39,500; and
18 (ii) an additional five year extension option; now, therefore, be it

19 RESOLVED, That in accordance with the recommendation of the Director of the
20 Department of Public Health and the Director of Real Estate, the Director of Real Estate is
21 hereby authorized to take all actions on behalf of the City and County of San Francisco, as
22 Tenant, to execute the five year New Lease; and, be it

23 FURTHER RESOLVED, That commencing upon Board and Supervisors and Mayor
24 approval, the Original Lease will be replaced by the New Lease, with a new monthly base
25 rent for the five year extension term of \$44,268 (\$4 per square foot per month), increasing

1 annually pursuant to the terms of the New Lease, plus up to \$39,500 in tenant
2 improvements; and, be it

3 FURTHER RESOLVED, That any action heretofore taken by any City employee or the
4 Director of Property and other officers of the City with respect to the New Lease are hereby
5 approved, confirmed and ratified; and, be it

6 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of Real
7 Estate to enter into any amendments or modifications to the lease (including without limitation,
8 the exhibits) that the Director of Real Estate determines, in consultation with the City Attorney,
9 are in the best interest of the City, do not increase the rent or otherwise materially increase
10 the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes
11 of the lease or this resolution, and are in compliance with all applicable laws, including City's
12 Charter; and, be it

13 FURTHER RESOLVED, That within 30 days of the New Lease being fully executed
14 by all parties, the Director of Real Estate shall provide a copy to the Clerk of the Board for
15 inclusion into the official file.

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\$283,755 Available
Fund ID: 10000
Department ID: 251984
PS Project ID: 10001792
Authority ID: 10000
Account ID: + 530110
Activity ID: 0001

Controller

Subject to enactment of the Annual
Appropriation Ordinance for Fiscal Year
2019/2020

RECOMMENDED:

Department of Public Health, Director

Real Estate Division, Director