

1 [Lease Amendment - Increasing City Allowance Provided for Tenant Improvements -  
2 Volunteers in Medicine - 35 Onondaga Avenue - Reimbursement of Up to \$1,410,000]

3 **Resolution authorizing the Director of Property to execute an amended and restated**  
4 **ten-year commercial lease, with two, five-year extension options, between the City and**  
5 **County of San Francisco, as Landlord, and Volunteers in Medicine, DBA Clinic By the**  
6 **Bay, as Tenant, for the City-owned property located at 35 Onondaga Avenue;**  
7 **authorizing the reimbursement of up to a total of \$1,410,000 for tenant improvements,**  
8 **to commence following Board approval upon execution of the lease.**

9  
10 WHEREAS, The Board of Supervisors adopted on December 11, 2018, and the Mayor  
11 approved on December 21, 2018, Resolution No. 431-18 authorizing the Director of Property  
12 to execute a ten-year commercial lease dated June 18, 2019 (the “Original Lease”), with two  
13 five year extensions, between City and County of San Francisco (“City” or “Landlord”) and  
14 Volunteers in Medicine DBA Clinic By the Bay (“Tenant”), with the purpose of rehabilitating  
15 adjoining City owned buildings located at 35 and 45 Onondaga Avenue (the “Project”) and  
16 establishing use of a portion of the Project as a medical clinic, a copy of the Original Lease is  
17 on file with the Clerk of the Board of Supervisors in File No. 190739; and

18 WHEREAS, The Original Lease provided that City shall reimburse up to \$410,000 of  
19 Tenant’s costs for rehabilitation of the building shell and systems component of the Project  
20 (the “Initial Allowance”); and

21 WHEREAS, Following investigation after the passage of Resolution No. 431-18, it has  
22 been determined that the cost of building shell and systems rehabilitation is more extensive,  
23 and thus, the City and Tenant have negotiated an Amended and Restated Lease (the  
24 “Amended Lease”), increasing the Initial Allowance by \$1,000,000, to a total of \$1,410,000

1 (“Total Allowance”), the Amended Lease is on file with the Clerk of the Board of Supervisors in  
2 File No. 190739; and, now, therefore, be it

3 RESOLVED, That the Director of Property is hereby authorized to take all actions, on  
4 behalf of the City, to execute the Amended Lease on the terms and conditions herein; and, be  
5 it

6 FURTHER RESOLVED, The Real Estate Division (“RED”) is authorized to expend the  
7 Total Allowance for the purposes contemplated in this Resolution, under the terms and  
8 conditions specified in the Amended Lease; and, be it

9 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
10 Property to enter into any amendments or modifications to the Amended Lease (including in  
11 each instance, without limitation, the attachment of exhibits) that the Director of Property, in  
12 consultation with the City Attorney, determine are in the best interests of the City, do not  
13 otherwise materially increase the obligations or liabilities of, or materially decrease the  
14 benefits to, the City beyond those contemplated in this resolution, and are in compliance with  
15 all applicable laws, including the City’s Charter; and, be it

16 FURTHER RESOLVED, That any action taken by the Director of Property and other  
17 officers of the City with respect to the Amended Lease is hereby approved, confirmed and  
18 ratified by this Board of Supervisors; and, be it

19 FURTHER RESOLVED, That within thirty (30) days of the Amended Lease being fully  
20 executed by all parties, RED shall provide the fully executed Amended Lease to the Clerk of  
21 the Board for inclusion into the official file.

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Funds Available for  
Fiscal Year 2019-2020: \$410,000

Fund ID: 14300  
Department ID: 228875  
Project ID: 100001302  
Authority ID: 17375  
Account ID: 528000

Funds Available for  
Fiscal Year 2019-2020: \$1,000,000

Fund ID: 10020  
Department ID: 228875  
Project ID: 100001291  
Authority ID: 15754  
Account ID: 56700

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Controller:

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

RECOMMENDED:

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Andrico Q. Penick  
Director of Property