

1 [Real Property Lease Amendment - Chinese Hospital Association - 845 Jackson Street, 4th
2 Floor - Change of Expiration Date - Increase of Tenant Improvement Maximum
3 Reimbursement to \$800,000]

4 **Resolution approving and authorizing the Director of Property, on behalf of the City’s**
5 **Department of Public Health (“DPH”), to amend the lease of a portion of real property,**
6 **located 845 Jackson Street on the 4th Floor with Chinese Hospital Association, serving**
7 **as the temporary location of DPH’s Chinatown Public Health Center; changing the**
8 **lease expiration date from October 29, 2028 to the third year anniversary of the date of**
9 **the issuance of a change-of-use permit by the State of California Department of Health**
10 **Care Access and Information with no change to the total lease amount of**
11 **\$3,880,292.20; increasing the Construction to Leasehold Improvements reimbursement**
12 **allowance by an amount not to exceed \$500,000 for a new total maximum of \$800,000**
13 **(“Lease Amendment); and authorizing the Director of Property to execute documents,**
14 **make certain modifications, and take certain actions that do not materially increase the**
15 **obligations or liabilities to the City and are necessary to effectuate the purposes of the**
16 **Lease Amendment or this Resolution.**

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18 WHEREAS, The City and County of San Francisco (“City’), acting by and through its
19 Real Estate Division on behalf of Department of Public Health (“DPH”), is the tenant under
20 that certain Lease dated September 15, 2025 (the “Lease”) with Chinese Hospital Association
21 (“Landlord”) for approximately 11,894 square feet of care clinic space located on the 4th Floor
22 at 845 Jackson Street, San Francisco, CA (the “Premises”); and

23 WHEREAS, The Lease, executed on October 30, 2025, currently provides for the term
24 expiration date of October 29, 2028; and

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1 WHEREAS, Operational needs of the City now require an adjustment to the Lease
2 term expiration date to ensure safety, continuity of services, and alignment with departmental
3 space planning; and

4 WHEREAS, The Real Estate Division has negotiated a proposed amendment to the
5 Lease (“Lease Amendment No.1”) that would revise the term expiration date from October 29,
6 2028 to three years following Rent Commencement dependent on obtaining receipt of a
7 temporary use permit from the California Department of Health Care Access and Information
8 (HCAI), formerly Office of Statewide Health Planning and Development (OSHPD), and
9 California Department of Public Health, with all other terms and conditions of the Lease
10 remaining substantially unchanged; and

11 WHEREAS, The proposed change in the term expiration date is in the best interest of
12 the City and supports efficient administration of municipal operations; and

13 WHEREAS, The Lease contemplates the design and construction of tenant
14 improvements to support DPH operational, programmatic, accessibility needs, and State
15 approved temporary use permitting, and provides a Construction to Leasehold Improvements
16 reimbursement allowance not to exceed the amount of \$300,000; and

17 WHEREAS, Following further development meeting with Department of Health Care
18 Access and Information, the required scope was expanded to update the fire life safety
19 system, necessitating an increase in the Construction to Leasehold Improvements
20 reimbursement allowance; and

21 WHEREAS, City and Landlord desire to amend the Lease to increase the Construction
22 to Leasehold Improvements reimbursement allowance by \$500,000 for a total reimbursement
23 allowance of \$800,000 to be applied to hard and soft costs of the leasehold improvements
24 consistent with the Lease and industry standards; and

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1 WHEREAS, The proposed increase will facilitate timely delivery of a safe, accessible,
2 code-compliant, and operationally effective workspace, reduce schedule risk, and minimize
3 future change orders; and

4 WHEREAS, The Controller has certified that funds are available for said increase,
5 subject to Board of Supervisors appropriation, and any future year obligations are subject to
6 annual appropriation; now, therefore, be it

7 RESOLVED, That in accordance with the recommendation of the Director of the
8 Department of Public Health, in consultation with the City Attorney, the Director of Property is
9 hereby authorized to take all actions on behalf of the City and County of San Francisco, as
10 Tenant, to execute the Lease Amendment; and, be it

11 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
12 Property to enter into any other amendments or modifications to the Lease that the Director of
13 Property determines, in consultation with DPH and the City Attorney, are in the best interest of
14 the City, do not increase the rent or otherwise materially increase the obligations or liabilities
15 of the City; are necessary or advisable to effectuate the purposes of the Lease Agreement
16 and this Resolution; and are in compliance with all applicable laws, including City's Charter;
17 and, be it

18 FURTHER RESOLVED, That within 30 days of the Lease Amendment being fully
19 executed by all parties, the Real Estate Division will provide the fully executed copy to the
20 Clerk of the Board for inclusion into the official file.

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