



London N. Breed, Mayor
Naomi M. Kelly, City Administrator



Andrico Q. Penick
Director of Real Estate

August 14, 2018

Through City Administrator Naomi Kelly

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

Subject: Telecom Lease with Verizon at ZSFGH - DAS

Dear Board Members:

Attached for your consideration is a Resolution approving and authorizing the lease of a portion of Building 25, the new Zuckerberg San Francisco General Hospital and Trauma Center (“ZSFGH”), located at 1001 Potrero Avenue, San Francisco, which allows the proposed tenant T-Mobile West LLC (“T-Mobile”), to participate in Building 25’s DAS (a multi-carrier cellular, paging and public safety radio “Distributed Antenna System”) and to install and operate equipment for its cellular telecommunications system for use by City employees and staff, including the doctors and staff at ZSFGH, and the patients, visitors and vendors at ZSFGH.

Background

The Department of Public Health (“DPH”), emergency services (such as SFFD, SFPD and SFSD) and the doctors, nurses, patients and visitors of the new Zuckerberg San Francisco General Hospital and Trauma Center (“ZSFGH”), aka Building 25 at the campus, require strong paging and cellular services for daily and emergency communications. Building 25 was constructed with materials that hinder radio and cellular signals from reaching essential portions of the building for daily operation (such as the basement surgical areas, stairwells, building mechanical rooms and restrooms) and in emergencies (such as crawl spaces, sub-basement areas, and moat area, a requirement for First Responders).

To resolve the issue, DPH installed a Distributed Antenna System (DAS) which enhances coverage inside the building through a series of “in-building” antennas (repeaters) distributing the radio/cellular frequencies of the participants of the DAS throughout designated spaces within the building - - connecting service providers, such as T-Mobile, to clinicians, clients and care. The DAS supports a broad range of wireless services, cellular, public safety, first responder, two-way radios, and paging.

In light of the various cellular companies’ services used by the City, DPH, UCSF, and individual doctors, nurses, other staff, patients, and other visitors at Building 25, DPH invited cellular companies to join the DAS to improve their coverage within the Building.

Should a prospective participant, such as Verizon, agree to participate in the DAS, it will be solely responsible for the expense of their equipment and its installation at Building 25. In consideration of the benefit of the enhanced coverage to the City, DPH, ZSFGH, and the patients, doctors, staff and visitors to ZSFGH, during the term of the Lease, rent and all service charges (for utilities and other services) will be waived. If and when Building 25 ceases to be used as a hospital facility or the Lease is terminated or ends, the waiver ceases and should Verizon continue to participate in the DAS in Building 25 under a new use, it would have to pay rent and utilities per the agreement.

Resolution

Specifically, the Resolution approves:

- (A) An initial lease term of five years commencing upon approval by the Board of Supervisors and Mayor;
- (B) Two additional option terms of five years each to extend the lease;
- (C) A base monthly rent of \$5,000, subject to annual adjustments of 3% (in both the initial and option terms);
- (D) The Tenant to pay for utilities and other services for a service charge of \$3,708.00 per year;
- (E) A waiver that the Tenant is to be exempt from payment of Base Rent and utilities and other services so long as the premises remain a hospital and trauma center and the Tenant participates in the DAS providing enhanced cellular service to the doctors, staff, patients and visitors at Building 25 who subscribe to Tenant's wireless communications services; and
- (F) A finding that Competitive Bidding Procedures would be impractical in light of Department of Public Health's invitation to participate in the DAS from City to Tenant and other cellular companies, including T-Mobile, Sprint, Verizon, and AT&T.

The Department of Public Health and Real Estate recommend approval of the proposed Resolution. If you have any questions regarding the project or the lease, please contact Vernie Roble of DPH at Verwina.roble@sfdph.org or Claudia J. Gorham of Real Estate at 415.554.9871 or Claudia.gorham@sfgov.org.

Respectfully,



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