

City & County of San Francisco
London N. Breed, Mayor



Office of the City Administrator
Carmen Chu, City Administrator
Andrico Q. Penick, Director of Real Estate

June 22, 2021

City Hall, 1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102

Re: Lease of 650 Fifth St. San Francisco

Dear Board Members:

Attached for your consideration is a Resolution authorizing the amendment of the lease and exercising of the first renewal option of the lease dated for reference purposes as May 6, 2016, by the City for the premises comprising approximately 3,060 square feet with four (4) parking stalls at 650 Fifth St., San Francisco, CA. Since 1999, the premises have been continually used by the Department of Public Health for its Jail Health Services, providing a comprehensive and integrated system of medical, psychiatric and substance abuse services to inmates in San Francisco jails.

The proposed amendment changes the option from three years, to five years and adds two additional extension options of one year each. The purpose of this change is to provide for continual operation of this program and allowing flexibility to relocate the program to City owned property. The lease would become effective, upon approval by the Board of Supervisors and Mayor in their respective sole and absolute discretion.

City shall have two additional one (1) year option periods to extend the lease term based on the same terms and conditions except that the rent shall be adjusted to 95% of the then prevailing fair market rent but in no event less than the Base Rent for the lease year prior to commencement of the option term.

On behalf of the Department of Public Health, the Real Estate Division negotiated the lease at a fair market rent of \$ 13,260 per month, increasing 3% per year City shall continue to pay for its separately metered electricity. Landlord shall pay the cost of all other utilities and janitorial services.

The Department of Public Health recommends approval of the proposed lease

A handwritten signature in blue ink, appearing to read "Andrico Penick", written over a horizontal line.

Andrico Penick
Director of Real Estate