

1 [Lease Amendment - WCPI Commercial LLC - 1449 Webster Street - \$139,170 Annual Base
2 Rent]

3 **Resolution approving and authorizing the Director of Property, on behalf of the Office**
4 **of Economic and Workforce Development and WCPI Commercial LLC, to amend the**
5 **lease of real of property located at 1449 Webster Street at a base rent of \$139,170 per**
6 **year with annual rent increases based upon the Consumer Price Index (CPI) between**
7 **2% and 5%, for an extended term commencing upon approval of this Resolution and**
8 **expiring on August 31, 2023, plus one three-year option to extend; and authorizing the**
9 **Director of Property to execute documents, make certain modifications, and take**
10 **certain actions in furtherance of the First Amendment, the Lease and this Resolution,**
11 **as defined herein.**

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13 WHEREAS, The Office of Economic and Workplace Development (“OEWD”) currently
14 operates the Western Addition Neighborhood Access Point to provide tools related to finding
15 employment such as job search services, job readiness skills training, resume and interview
16 coaching, job training and education, and coordination with supportive services such as
17 childcare and transportation, for the community at 1449 Webster Street (the “Property”),
18 providing valuable services to the local community since 2008; and

19 WHEREAS, The City and County of San Francisco (“City”, as tenant) entered into a
20 lease in 2008 (the ‘Original Lease”) with WCPI Commercial LLC (as “Landlord”) of
21 approximately 3,900 square feet of space (“Premises”) for use as a job training center located
22 at the Property, a copy of the Original Lease is on file with the Clerk of the Board in File No.
23 170243; and

24 WHEREAS, The Original Lease was subsequently extended three times and most
25 recently, before expiring on August 31, 2020, wherein OEWD has remained with Landlord’s

1 consent on month-to-month holdover status as the Real Estate Division (“RED”), in
2 consultation with OEWD and the Office of the City Attorney, negotiated an amendment to the
3 Original Lease (the “First Amendment”), a copy of the proposed First Amendment is on file
4 with the Clerk of the Board in File No. 201036; and

5 WHEREAS, The First Amendment, upon approval of this Resolution by the Board of
6 Supervisors, amends and extends the term of the Lease (collectively, the Original Lease and
7 First Amendment are the “Lease”) until August 31, 2023, plus one additional option of three
8 years for the City to further extend the term (the “Extension Option”); and

9 WHEREAS, Base Rent under the First Amendment will be \$139,170 per year, or
10 approximately \$11,597 per month (\$35.68 per sq. ft. per year or \$2.97 per sq. ft. per month),
11 increasing annually by CPI at a minimum of 2% and a maximum of 5%; and

12 WHEREAS, The City will continue to pay for its pro rata share of insurance, real
13 property tax, and other typical operating expenses; and

14 WHEREAS, The Director of Property determines the rent payable under the First
15 Amendment to be at or below 95% of fair market rental value, and such rent is at least 15%
16 below the base rent paid prior to the recent expiration of the Lease; now, be it

17 RESOLVED, That in accordance with the recommendation of the Director of OEWD,
18 the Director of Property is hereby authorized to take all actions on behalf of the City to
19 execute the First Amendment and if applicable, exercise the Extension Option; and, be it

20 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
21 Property to enter into any amendments or modifications to the Lease (including without
22 limitation, the exhibits) that the Director of Property determines, in consultation with the City
23 Attorney and the Director of OEWD, are in the best interest of the City, do not increase the
24 rent or otherwise materially increase the obligations or liabilities of the City, are necessary or
25

1 advisable to effectuate the purposes of the lease or this Resolution, and are in compliance
2 with all applicable laws, including City's Charter; and, be it

3 FURTHER RESOLVED, That all actions heretofore taken by the officers of the City
4 with respect to the Lease are hereby approved, confirmed and ratified; and, be it

5 FURTHER RESOLVED, That within thirty (30) days of the First Amendment being fully
6 executed by all parties, the Real Estate Division shall provide the final First Amendment to the
7 Clerk of the Board for inclusion into the official file.

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Available: \$104,388
(9 months base rent)

Fund ID:	10010
Department ID:	207766
Project ID:	10022546
Authority ID:	16663
Account ID:	530110
Activity ID:	0001

_____/s/
Ben Rosenfield
Controller

Funding for Fiscal Year 2020/2021 is subject to the enactment of the Annual Appropriation Ordinance for Fiscal Year 2020/2021.

_____/s/
Office of Economic and Workforce Development
Director

_____/s/
Real Estate Division
Director of Property

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