



London N. Breed, Mayor  
Carmen Chu, City Administrator



Andrico Q. Penick  
Director of Real Estate

February 23, 2021

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

**RE: First Amendment to Restated Lease for City-owned property located at 35 Onondaga, increasing the City contribution for base building improvements by \$250,000**

Dear Board Members:

Attached for your consideration is a proposed Resolution authorizing the Director of Property to execute a first amendment to the existing ten-year lease between the City and County of San Francisco as Landlord, and Volunteers in Medicine, DBA Clinic By the Bay as Tenant, for the Tenant's construction of improvements and its subsequent operation of City-owned property at 35 Onondaga Avenue.

The purpose of this Amendment is to increase the City's allowance provided to Tenant to be used towards the cost of specific tenant improvements from \$1,410,000 to \$1,660,000 (\$250,000 increase). The need for this additional allowance results from increase costs of base building improvements discovered during the construction process, requiring additional demolition and replacement of damaged materials.

As of the date of this letter, the base building improvement work is nearly complete except for the remaining \$250,000 and the Tenant expects no further change orders associated with the costs to be reimbursed by City. Any tenant-specific improvements required for the Tenant's specific use and occupancy of the Premises will be paid entirely by Tenant and at no cost to City.

If you have any questions regarding the lease terms, please contact me at (415) 554-9860.

Respectfully,

Andrico Penick  
Director of Property