



San Francisco Department of Public Health

Greg Wagner
Acting Director of Health

City and County of San Francisco
London N. Breed
Mayor

January 18, 2019

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

RE: DPH Lease Extension at 729 Filbert Street

Dear Board members:

Attached for your consideration is a resolution authorizing the execution of a new lease of the premises occupied by the Department of Public Health (DPH) for its Chinatown-North Beach Mental Health Clinic. The Leased premises consists of the entire three-story building, with 11,067 square foot rentable area, at 729 Filbert Street, just west of Columbus Avenue.

This facility offers a multilingual outpatient clinic and day treatment/socialization program and is the older adult outreach center for the Chinatown-North Beach area. Its clients are primarily residents of the surrounding neighborhoods, being mostly elderly immigrants who are Chinese, Vietnamese, Cambodian, Laotian and Italian speaking. This location is highly desirable for access by those patients, many of whom walk to the center. Home visits are also provided.

This lease is for five years and will replace the existing expired lease. The City utilized the holdover provision in the existing lease until this new lease could be put in place. The new five-year lease will commence upon Board and Mayor Approval. The new rent will be \$44,268 per month (\$531,216 per year or approximately \$48.00 per square foot). The monthly rent will adjust annually on the anniversary date of the commencement based on the CPI index for the San Francisco Bay Area. The CPI adjustments will be no less than 2% and no more than 5%. The City is presently paying \$30,469.01 or \$2.75 per square foot (\$401,628 per year, \$33.00 per square foot per year).

The Space is in need of some improvements. This will include new carpet and flooring on portions of all three floors. The cost of this is expected to be \$ 79,000.00. The City and the landlord have agreed to equally share in the cost.

The City will continue to pay the cost of utilities and janitorial service within the premises as well as reimbursing the Landlord for the cost of the elevator maintenance contract and life/ safety-monitoring contract.

The Real Estate Division recommends approval of the lease. If you have any questions regarding this matter, please contact Jeff Sues of the Real Estate Division office at 415-554-9873.



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Sincerely,

A handwritten signature in cursive script that reads "Greg Wagner".

Greg Wagner
Acting Director of Health