

1 [Real Property Lease Amendment - Townsend Associates, LLC - 650-5th Street - \$159,200
2 Annual Base Rent]

3 **Resolution approving and authorizing the Director of Property, on behalf of the**
4 **Department of Public Health, to amend the lease of real property located at 650-5th**
5 **Street, with Townsend Associates, LLC, at a base rent of \$159,200 per year with 3%**
6 **annual increases, for an initial term commencing upon approval of this Resolution and**
7 **expiring on June 30, 2026, plus two one-year options to extend; and authorizing the**
8 **Director of Property to execute documents, make certain modifications and take certain**
9 **actions in furtherance of the First Amendment, the Lease and this Resolution, as**
10 **defined herein.**

11
12 WHEREAS, The Department of Public Health (“DPH”) currently operates the Jail
13 Health Services (JHS) Administration Center at 650-5th Street (the “Property”), providing
14 overall comprehensive and integrated system of medical, psychiatric and substance abuse
15 services to inmates in the San Francisco Jails; and

16 WHEREAS, The City and County of San Francisco (“City”, as tenant) originally entered
17 into a lease dated May 9, 2016 (the ‘Original Lease’), with Townsend Associates, LLC (as
18 “Landlord”) of approximately 3,060 square feet of space (“Premises”) for use as the JHS, a
19 copy of the Original Lease is on file with the Clerk of the Board in File No. 160710; and

20 WHEREAS, The Original Lease will expire on June 30, 2020, and the Real Estate
21 Division (“RED”), in consultation with DPH and the Office of the City Attorney, negotiated an
22 amendment to the Original Lease (the “First Amendment”) to amongst other things, extend the
23 term of the Original Lease, a copy of the proposed First Amendment is on file with the Clerk of
24 the Board in File No. 210737; and

1 WHEREAS, The First Amendment extends the term of the Lease (collectively, the
2 Original Lease and First Amendment are the “Lease”) until June 30, 2026, plus two additional
3 options of one year each for the City to further extend the term (the extension “Options”) at
4 95% of fair market rental value; and

5 WHEREAS, Base rent under the First Amendment will be \$159,200 per year, or
6 \$14,790 per month (\$4.33 per sq. ft.), increasing annually by 3%; and

7 WHEREAS, All other terms and conditions of the Lease will remain in full force and
8 effect, including, among other things, City’s obligation to pay for its utility usage; and

9 WHEREAS, The Director of Property determines the rent payable under the First
10 Amendment to be at or below fair market rental value; now, therefore, be it

11 RESOLVED, That in accordance with the recommendation of the Director of Health,
12 the Director of Property is hereby authorized to take all actions on behalf of the City to
13 execute the First Amendment (including exercising the Options); and, be it

14 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
15 Property to enter into any amendments or modifications to the Lease (including without
16 limitation, the exhibits) that the Director of Property determines, in consultation with the City
17 Attorney, are in the best interest of the City, does not increase the rent or otherwise materially
18 increase the obligations or liabilities of the City, are necessary or advisable to effectuate the
19 purposes of the lease or this Resolution, and are in compliance with all applicable laws,
20 including City's Charter; and, be it

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

23 FURTHER RESOLVED, That within thirty (30) days of the First Amendment being fully
24 executed by all parties, RED shall provide the final First Amendment to the Clerk of the Board
25 for inclusion into the official file.

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Available: \$159,200
12 months' base rent

Fund ID:	10000
Department ID:	251973
Project ID:	10026702
Authority ID:	10000
Account ID:	530000
Activity ID:	001

/s/
Michelle Allersma, Budget and Analysis
Division Director on behalf of
Ben Rosenfield, Controller

Funding for Fiscal Year 2021/2022 is
subject to the enactment of the Annual
Appropriation Ordinance for Fiscal Year
2021/2022

/s/
Department of Public Health
Director of Health

/s/
Real Estate Division
Director of Property