



London N. Breed, Mayor  
Naomi M. Kelly, City Administrator



Andrico Q. Penick  
Director of Real Estate

September 23, 2020

Mr. Ted Vlahos  
TJ-T, LLC  
1847 Hunt Dive  
Burlingame, CA 94010  
Sent Via Email to: [jvla56@gmail.com](mailto:jvla56@gmail.com)

**Re: Extended Term Rent for Windsor Hotel, 234 Eddy Street, San Francisco, CA - HSH**

Dear Mr. Vlahos:

The City and County of San Francisco, on behalf of its Department of Homelessness and Supportive Housing (the "City"), leases the Windsor Hotel located at 234 and 238 Eddy Street in San Francisco (the "Building") from TJ-T, LLC ("Master Landlord") under a lease dated May 1, 2010 (the "Master Lease").

We have received your signed copy of my letter dated August 26, acknowledging receipt of the City's Notice to Extend the current Lease pursuant to Section 3.2 of the Master Lease ("Extension Option"). We would now like to formalize the Extended Term monthly rent as of January 1, 2021.

The Extended Term rate is defined by the formula in Lease Section 4.3.

While Section 4.3 uses "Efficiency" unit rates in the formula, the parties agree that the units are in fact "SRO" and that this current, and any future applications, of the formula will use the SRO rate.

Section 4.3 refers to a "Governmental Rent Index". The parties agree that the latest available Mayor's Office of Housing and Community Development ("MOHCD") published "Maximum Monthly Rent by Unit Type", derived from the HUD Metro Fair Market Rent Area (HFMA) containing San Francisco shall be the applicable Rent Index. Please see the attached 2020 MOHCD Rent Index for your reference.

The Section 4.3 base rent calculation is:

**The Greater of**

(a) 103% of current monthly rent (\$67,498.50) = \$69,523; **OR**

(b) 51% of the latest Governmental Rent Index for an SRO multiplied by 104 units =  
(.51) X (\$1,593) X (104) = **\$84,492.72**

Subject to adoption of a Resolution submitted to the Board of Supervisors and approval by the Mayor, the monthly base rent as of January 1, 2021 will be = \$84,492.72.

Kindly acknowledge Master Landlord's concurrence by signing this letter and returning to my staff member Sandi Levine at [sandi.levine@sfgov.org](mailto:sandi.levine@sfgov.org). Upon receipt of the countersigned letter, Sandi will promptly begin the process of obtaining Board and Mayoral approval.

Please contact Sandi with any questions you may have, she can be reached via email or telephone at (415) 361-1555.

Respectfully,

  
Andrico Penick  
Director of Property

**Landlord Concurrence for Base Rent, SRO reclassification, and use of MOHCD published Maximum Rent Schedule:**

**TJ-T, LLC**

By:



Ted Vlahos, Managing Member

Date:

9-26-20

cc:

Gigi Whitley (HSH) [gig.whitley@sfgov.org](mailto:gig.whitley@sfgov.org)

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