



March 4, 2019

649-651 Bryant Street Tenancy in Common  
GS Management Company  
5674 Sonoma Drive  
Pleasanton, CA 94566  
Attn: William H. Banker, Jr.

RE: Lease dated May 12, 2009 (the “**Lease**”) by and between William H. Banker, Jr., Successor Trustee of The Banker Trust dated April 20, 1992; Fillmore C. Marks, Trustee of The Fillmore and Barbara Marks 1992 Trust; Fillmore Douglas Marks; William C. Marks, and Bradford F. Marks, tenants in common, as landlord (collectively, “**Landlord**”), and the City and County of San Francisco (“**City**”), as tenant (“**Tenant**”). Acknowledgment of Base Rent Determination for Lease Extension at 649-651 Bryant Street, San Francisco, California.

Dear Mr. Banker:

By letter dated December 6, 2018, City exercised its option under the Lease to extend the Lease term for one additional term of ten (10) years pursuant to Section 3.4 [Extension Option] of the Lease. The extended Term commences November 1, 2019 and expires October 31, 2029. Capitalized terms used and not otherwise defined in this letter shall have the same meaning assigned to such terms in the Lease.

Pursuant to the terms of Section 3.5 [Determination of Base Rent for the Extended Term] of the Lease, Landlord and City agreed that, considering all factors, the “prevailing market rate” for annual Base Rent for the first year of the Extended Term shall be \$577,920 (approximately \$41.28 per sq. ft.) and monthly Base Rent payments shall be \$48,160 (approximately \$3.44 per sq. ft.) Based on their assessment of the prevailing market rate, the parties agreed that the Base Rent for each ensuing year in the Extended Term shall increase annually by three percent (3%). The parties also agreed that Base Year for calculation of property taxes during the Extended Term shall be 2019/2020 and the Base Year for calculation of insurance shall be 2019.

Based on such determinations and agreements, the monthly Base Rent payable by Tenant during the Extended Term is shown on the table below:

<u>Year</u>	<u>Date From</u>	<u>Date To</u>	<u>Monthly Rent</u>
1	November 1, 2019	October 31, 2020	\$48,160.00
2	November 1, 2020	October 31, 2021	\$49,604.80

**London N. Breed**  
Mayor

**Vince Courtney**  
President

**Ann Moller Caen**  
Vice President

**Francesca Vietor**  
Commissioner

**Anson Moran**  
Commissioner

**Ike Kwon**  
Commissioner

**Harlan L. Kelly, Jr.**  
General Manager



3	November 1, 2021	October 31, 2022	\$51,092.94
4	November 1, 2022	October 31, 2023	\$52,625.73
5	November 1, 2023	October 31, 2024	\$54,204.50
6	November 1, 2024	October 31, 2025	\$55,830.64
7	November 1, 2025	October 31, 2026	\$57,505.56
8	November 1, 2026	October 31, 2027	\$59,230.73
9	November 1, 2027	October 31, 2028	\$61,007.65
10	November 1, 2028	October 31, 2029	\$62,837.88

In addition, as provided in Section 23.1(c) [Notices] of the Lease, City and Landlord each desire to update the "Address for Notices and Key Contact" information contained in Section 1 [Basic Lease Information]. Accordingly, the respective addresses and/or contact information for notice under the Lease are updated as follows:

City:

Real Estate Services Division  
San Francisco Public Utilities  
Commission  
525 Golden Gate Avenue, 10th Floor  
San Francisco, California 94102  
Attn: Real Estate Director  
Telephone: (415) 487-5210  
E-mail: [RES@sfgwater.org](mailto:RES@sfgwater.org)

and

City and County of San Francisco  
25 Van Ness Avenue, Suite 400  
San Francisco, California 94102  
Telephone: (415) 554-9823  
Attn: Andrico Penick, Director of  
Property  
E-mail: [andrico.penick@sfgov.org](mailto:andrico.penick@sfgov.org)

with a copy to:

Deputy City Attorney  
Office of the City Attorney  
City Hall, Room 234  
1 Dr. Carlton B. Goodlett Place  
San Francisco, California 94102-4682  
Attn: Real Estate & Finance Team  
E mail: [richard.handel@sfcityatty.org](mailto:richard.handel@sfcityatty.org)

Key Contacts for City:

Charlie Dunn  
Phone: (415) 554-1874

or

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Tony Bardo  
Phone: (415) 554-1522

Notice Address of Landlord: 649-651 Bryant Street Tenancy in Common  
c/o GS Management Company  
5674 Sonoma Drive  
Pleasanton, CA 94566  
Phone: (925) 734-0280

Key Contacts for Landlord: William H. Banker, Jr.  
Phone: (510) 604-6080  
or  
William C. Marks  
Phone: (415) 385-1163

All other terms and conditions of the original Lease shall remain unchanged.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, SELLER ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF CITY HAS AUTHORITY TO COMMIT CITY TO THE MATTERS STATED IN THIS LETTER UNLESS AND UNTIL AN APPROPRIATE RESOLUTION OF CITY'S PUBLIC UTILITIES COMMISSION (THE "SFPUC") SHALL HAVE BEEN DULY ADOPTED APPROVING THE MATTERS STATED IN THIS LETTER AND AUTHORIZING THE TRANSACTIONS CONTEMPLATED BY THIS LETTER. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF CITY UNDER THIS LETTER ARE CONTINGENT UPON THE DUE ENACTMENT OF SUCH RESOLUTION, AND THE MATTERS STATED IN THIS LETTER SHALL BE NULL AND VOID IF THE SFPUC DOES NOT APPROVE THE MATTERS STATED IN THIS LETTER, AT ITS SOLE DISCRETION. APPROVAL OF ANY OF THE MATTERS CONTEMPLATED BY THIS LETTER BY ANY OTHER DEPARTMENT, COMMISSION, OR AGENCY OF CITY SHALL NOT BE DEEMED TO IMPLY THAT SUCH RESOLUTION WILL BE ADOPTED NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON CITY.

If you have any questions regarding this matter, please contact Charlie Dunn at (415) 554-1874 or Tony Bardo at (415) 544-1522 of SFPUC Real Estate Services. To indicate Landlord's agreement with both matters stated in this letter, please have this letter executed on behalf of Landlord in the space provided below and return it to us. Thereafter, the SFPUC will seek the required approval of the SFPUC. This letter may be executed simultaneously in multiple originals, each of which shall be deemed an original, without the production of the other such originals and facsimile, PDFs, or electronic signatures of this document shall be treated as originals.

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We appreciate your cooperation in this matter.

Respectfully,

**City:**

The City and County of San Francisco,  
a municipal corporation,  
acting by and through its Public Utilities Commission

By:

Harlan L. Kelly, Jr., General Manager  
San Francisco Public Utilities Commission

**Agreed, and Accepted:**

**Landlord:**

CBC Colorado Springs, LLC, a Colorado limited liability company

By:

Carolyn B. Cresswell

Name:

Carolyn Banker Cresswell

Title:

Manager and Member

Anne Banker Trotter, Trustee of the Banker Trotter Revocable Trust

William H. Banker, Jr. Trustee of the Banker Revocable Trust

Additional Landlord signatures continued on the next page

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By:

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Harlan L. Kelly, Jr., General Manager  
San Francisco Public Utilities Commission

**Agreed, and Accepted:**

**Landlord:**

CBC Colorado Springs, LLC, a Colorado limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Anne Banker Trotter  
Anne Banker Trotter, Trustee of the Banker Trotter Revocable Trust

\_\_\_\_\_  
William H. Banker, Jr. Trustee of the Banker Revocable Trust

Additional Landlord signatures continued on the next page

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San Francisco Public Utilities Commission

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By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Anne Banker Trotter, Trustee of the Banker Trotter Revocable Trust

  
\_\_\_\_\_  
William H. Banker, Jr. Trustee of the Banker Revocable Trust

Additional Landlord signatures continued on the next page

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FDM Ventures, LLC, a California limited liability company, as successor in interest to Fillmore D. Marks

By: Fillmore D. Marks

Name: Fillmore D. Marks

Title: Manager

BFM Ventures, LLC, a California limited liability company, as successor in interest to Bradford F. Marks

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

WCM Ventures, LLC, a California limited liability company, as successor in interest to William C. Marks

By: William C. Marks

Name: William C. Marks

Title: Manager

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FDM Ventures, LLC, a California limited liability company, as successor in interest to Fillmore D. Marks

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

BFM Ventures, LLC, a California limited liability company, as successor in interest to Bradford F. Marks

By: BFM F. Marks

Name: Bradford F. Marks

Title: Manager

WCM Ventures, LLC, a California limited liability company, as successor in interest to William C. Marks

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_