

1908 – 1950 INNES AVENUE, SAN FRANCISCO

REAL PROPERTY LEASECENTRAL SHOPS

BUDGET AND FINANCE COMMITTEE | SEPTEMBER 17, 2025

REAL ESTATE DIVISION

Central Shops (Vehicle Fleet Management):

Central Shops provides fleet management services to over 70 City departments with a combined municipal fleet of approximately 8,000 vehicles and operates six maintenance and repair facilities across the City.

Why are we here?

- > State Water Resource Control Board mandate
- Space for commissioning and decommissioning vehicles

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- > LOCATION: Adjacent to Central Shops primary facility located at 555 Selby Avenue.
- ➤ INCREASED EFFICIENCY AND COST SAVINGS: Central Shops will have a site to process incoming and "turn-in" vehicles in one place.
- > STATE MANDATE: The site provides a location for a temporary fueling station to meet the requirements of the State Water Resources Control Board.

Deal Points:

> Term:

- ➤ Six years expiring September 30th, 2031
- > One five-year Option to Extend the Lease.
- > Option to Purchase during first three years of the term.

Economics:

- ➤ Base Annual Rent: \$631,800.00 with three percent annual increases.
- > City pays for utilities and services.
- > Landlord will provide improvements at City's cost not to exceed \$349,092.
- > City has an Option to Purchase for \$12,000,000.

QUESTIONS?

REAL ESTATE DIVISION