



Edwin M. Lee, Mayor
Naomi M. Kelly, City Administrator



John Updike
Director of Real Estate

April 29, 2016

Through Naomi Kelly,
City Administrator

**Department of Technology
Public Safety - 200 Paul Avenue
Assignment #6979**

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

Dear Board Members:

Attached for consideration is a Resolution authorizing a new lease at 200 Paul Avenue, for use by the Department of Technology (DT) Public Safety Division (DT-PS) with 200 Paul, LLC (Landlord).

DT PS is responsible for:

- Maintaining the physical internet connections, telephone switches, and wiring for all City departments including maintaining 220 miles of fiber infrastructure supporting approximately 350 City facilities;
- Maintaining and upgrading mission critical communication systems for law enforcement agencies and emergency responders including the 911 Radio system, 911 Wireless Data system, Mutual Aid Radio system, microwave links connecting City buildings to Bay Area counties, police stations and hospitals, public 911 call boxes, ambulance radio and vehicle locating systems, hospital emergency radio systems, fire station public address systems, the City's fire station Automated Information System (AIS), radar in Fire boats and Police Marine Units, and the City's OPWS (Outdoor Public Warning System);
- Installing and repairing the radios and mobile data terminals in all new police, fire, ambulance, parking control vehicles, and other City service vehicles;
- Maintaining and upgrading cameras and burglar alarms at critical locations throughout San Francisco; and
- Maintaining and upgrading radio systems for first responders, SFMTA and SFPUC including for several backup and intercity communication systems.

In 2012, DT-PS was relocated from 901 Rankin Street to temporary facilities at 1800 Jerrold Ave while the Real Estate Division investigated suitable long term facilities as part of the Board of Supervisor's approved expansion of the San Francisco Wholesale Produce Market. The current temporary facility at 1800 Jerrold Ave. is located adjacent to the SFPUC's Southeast Treatment Facility. The proposed Resolution relocates DT-PS into an appropriate facility suitable for long-term occupancy.

DT-PS has 118 field and support employees and 74 trucks, vehicles and trailers. These vehicles range from 3 ton crane trucks to "sprinter" vans to trailers with huge cable spools and because they carry highly valuable and easily resold tools and materials, these vehicles require high security overnight and weekend storage.

The 901 Rankin site had approximately 85,666 SF of area – approximately 31,563 SF of warehouse and office and 67,966 SF of yard area. The proposed facility has approximately 77,934 SF of area – approximately 53,934 SF of warehouse and office and 24,000 SF of yard area (or approximately 9% less than 901 Rankin). The proposed facility has less yard space and more warehouse space than the 901 Rankin facility. The additional interior space allows for the above mentioned secure overnight vehicle storage.

The proposed term is ten (10) years commencing upon January 1, 2017 and expiring on December 31, 2026 with an option to extend the term for five (5) additional years at the then fair market rent, subject to Board approval. Under the proposed lease, the City would pay \$67,417.50 per month (or approximately \$15.00 psf annually on the building area only). The base rent increases annually by three percent (3%) and the City would be responsible for utilities, janitorial, maintenance, and security typical of an industrial use lease. These expenses are estimated to add \$18,375 per month (or approximately \$4.09 psf annually).

To perform its functions, DT-PS requires specialized yard, office, and production facilities. These improvements include vehicle emission exhausting, heavy power, shower & locker facilities, emergency power generator, security, LEED certification and ADA access, not typically available at a warehouse-yard facility. Under the proposed Resolution, the City pays for improvements up to a cost of \$5,929,909 to customize the premises for DT-PS.

The Department of Technology recommends approval of the proposed lease.

If you have any questions regarding this matter, please contact Charlie Dunn of our office at 554-9861.

Respectfully



John Updike
Director of Real Estate

cc: Miguel Gamino, CIO and DT Director

Attachment #1
200 Paul
DT Public Safety

	901 Rankin	Proposed
Total SF	Approximately 85,666 SF of total area	Approximately 77,934 SF of total area (or approximately 9% less than 901 Rankin)
Premises	Approximately 31,563 SF of warehouse and office and 67,966 SF of yard area.	Approximately 53,934 SF of warehouse and office and 24,000 SF of yard area
Base Rent	None - City Owned	\$67,417.50 monthly (or approximately \$1.25 psf monthly and \$15.00 psf annually on the building area only).
Estimated Expenses	None – Operating expenses such as utilities were paid by GSA Central Shops	\$18,375 per month (or approximately \$0.34 psf monthly and \$4.09 psf annually on the building area only).
Estimated Total Rent and Expenses	None	\$85,792.50 monthly (or approximately \$1.59 psf monthly and \$19.09 psf annually on the building area only).
Base Rent Increase	None	3%
Term	None	Through December 31, 2026
Options to Extend	None	One (1) five year extension at Fair Market Rent, subject to Board approval.