

1 [Real Property Lease - Bayview Plaza, LLC - 3801-3rd Street, Suite 400 - \$554,347 Initial
2 Base Year Rent]

3 **Resolution approving and authorizing the Director of Property, on behalf of the**
4 **Department of Public Health, to execute a Lease Agreement for the term of five years**
5 **with two five-year options to extend the term for continued use of office space with the**
6 **Bayview Plaza, LLC, located at 3801-3rd Street, Suite 400, at a base rent of \$554,347 per**
7 **year (approximately \$37.39 per square foot) with 3% annual rent increases effective**
8 **upon approval of the Resolution and upon execution of the Lease by the Director of**
9 **Property; and authorizing the Director of Property to execute any amendments, options**
10 **to extend the agreement term, make certain modifications and take certain actions that**
11 **do not materially increase the obligations or liabilities to the City, do not materially**
12 **decrease the benefits to the City and are necessary or advisable to effectuate the**
13 **purposes of the Lease Agreement or this Resolution.**

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15 WHEREAS, The Department of Public Health has occupied the 14,825 square foot
16 premises at 3801-3rd Street, Suite 400, since 1998, and currently operates its Foster Care,
17 Child Crisis and Crisis Response Team programs at the site; and

18 WHEREAS, The Real Estate Division (“RED”), on behalf of the Department of Public
19 Health have negotiated a new fully serviced Lease Agreement with a five-year term with two
20 options to extend the term for five-years with each option term at 95% of the prevailing market
21 rent; and

22 WHEREAS, Pursuant to the Administrative Code, Section 23, the Fair Market Rent for
23 the initial base year rent set at \$554,347 (approximately \$37.39 per square foot) with 3%
24 annual increases; and

1 WHEREAS, A copy of the proposed Lease Agreement is on file with the Clerk of the
2 Board in File No. 230998; now, therefore, be it

3 RESOLVED, That in accordance with the recommendation of the Director of Property,
4 on behalf of the Department of Public Health, the Board of Supervisors approves the Lease
5 Agreement and authorizes the Director of Property to take all actions on behalf of the City
6 necessary or advisable to effectuate the Lease Agreement with Bayview Plaza, LLC as the
7 Landlord, for 3801-3rd Street, Suite 400, San Francisco, substantially in the form on file with
8 the Clerk of the Board of Supervisors in File No. 230998; and, be it

9 FURTHER RESOLVED, The base rent for the initial year shall be \$554,347
10 (approximately \$37.39 per square foot) and thereafter subject to annual adjustments of three
11 percent and cost of utilities; and, be it

12 FURTHER RESOVLED, Authorizing the Director of Property to execute any
13 amendments to the Lease, options to extend to the Lease term, and make certain
14 modifications and take certain actions that do not materially increase the obligations or
15 liabilities to the City, do not materially decrease the benefits to the City and are necessary or
16 advisable to effectuate the purposes of the Lease Agreement or this Resolution; and, be it

17 FURTHER RESOLVED, That within 30 days of the Lease Agreement being fully-
18 executed by all parties, the Director of Property shall provide the final Lease Agreement to the
19 Clerk of the Board for inclusion into the official file.

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Available: \$461,956.20
(base rent for period 9/1/2023 through 6/30/24)

Fund ID:	10000
Department ID:	251962
Project ID:	10001670
Authority ID:	10000
Account ID:	530110
Activity ID:	1

_____s/

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

Funding for Fiscal Year 2023/2024 is subject to the enactment of the Annual Appropriation Ordinance for Fiscal Year 2023/2024

RECOMMENDED:

_____s/

Greg Wagner, Chief Operating Officer
Department of Public Health

_____s/

Andrico Penick, Director of Property
Real Estate Division