[Communications Lease - State of California - California Highway Patrol - 125 Christmas Tree Point - $9,000 Initial Base Rent]

Resolution authorizing and approving the lease of approximately 400 square feet of the City-owned radio equipment room and one antenna at 125 Christmas Tree Point, aka Twin Peaks Blvd, with the State of California, General Services Agency, for the California Highway Patrol, for an initial annual base rent of $9,000 with annual adjustments of four percent for a term of 10 years, with two five-year options to renew to commence upon execution of the Lease, and after approval of this Resolution by the Board of Supervisors and Mayor, in their respective sole and absolute discretion; finding the proposed transaction is in conformance with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and to authorize the Director or Property to enter into any extensions, amendments, or modifications to the Lease that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the Lease or this Resolution.

WHEREAS, In 2007, the Real Estate Division ("RED") on behalf of the City and County of San Francisco ("City"), and Department of Technology, entered into a Revocable Permit to Enter and Use Property with the State of California, acting by and through its Department of General services, Real Estate Services Division ("State") as tenant, to enter and use space at 125 Christmas Tree Point, Twin Peaks Boulevard, San Francisco, for the sole purpose of installing, operating and maintaining radio communication equipment consisting of one rack of radio equipment and one radio antenna on Tower 3 for use by the California Highway Patrol; and

WHEREAS, The State desires to continue to occupy the site and continue its operations at the Central Radio Station on a portion of City's property also known as Assessor Parcel Block No. 2791C, Lot No. 004; and

WHEREAS, The Lease provides a 10-year term with two five-year options to renew, commencing upon approval by the Board of Supervisors and Mayor; and

WHEREAS, The amount of rent and occupied space does not necessitate an appraisal pursuant to Administrative Code, Chapter 23; and

WHEREAS, RED and the State have negotiated a $9,000 per year, $750 per month, base rent, subject to four percent annual adjustments commencing on January 1, 2024; and

WHEREAS, The Director of Property has opined that the base rent is equal or less than fair market rent for similar radio communication space, considering all factors, but finds the use by the California Highway Patrol and mission of same is a greater public purpose; and

WHEREAS, The State will also be responsible for utilities in the amount of $150 per month subject to three percent annual adjustments; and

WHEREAS, Given the long-term use by the State, the cost, and lack of similar situated locations to relocate the communications site, the Director of Property determined that a competitive bidding would be impractical and impossible; and

WHEREAS, The Planning Department, through General Plan Referral letter dated April 6, 2023 ("Planning Letter"), Case No. 2023-002251GPR, a copy of which is on file with the Clerk of the Board of Supervisors in File No. 230480, has verified that the Lease is Consistent with the General Plan, and the eight priority policies under Planning Code, Section 101.1, and that the project is categorically exempt under CEQA as a project Sections 15378 -15060(c)(2); now, therefore, be it

RESOLVED, That in accordance with the recommendations of the Executive Director of the Department of Technology, and the Director of Property after consulting with the City

Attorney, the Director of Property is hereby authorized to take all actions, on behalf of the City, as Landlord, to execute a lease with the State of California for space at 125 Christmas Tree Point, aka Twin Peaks Boulevard, San Francisco, California, the "Communications Site Lease", substantially in the form on file with the Clerk of the Board of Supervisors in File No. 230480; and, be it

FURTHER RESOLVED, That the Lease commences at a base rent rate of $9,000 per year, with annual adjustments of four percent for the 10-year term, utility rate of $150 per month, with annual adjustments of three percent, and upon all other terms as set forth in the Lease; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby approves the less than Market Base Rent with the public purpose and use by the California Highway Patrol; and, be it

FURTHER RESOLVED, That the Board of Supervisors finds that the competitive bidding process is impractical and impossible; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby finds that the lease of 125 Christmas Tree Point, aka Twin Peaks Blvd., Central Radio Station, with the State of California, is consistent with the General Plan, and the Priority Policies of Planning Code, Section 101.1 and hereby incorporates such findings by reference as though fully set forth in this Resolution; and, be it

FURTHER RESOLVED, That all actions heretofore taken by any City employee or official with respect to the Lease are hereby approved, confirmed, and ratified; and, be it

FURTHER RESOLVED, The Board of Supervisors approves the Communications Site Lease and authorizes the Director of Property, on behalf of the City, to enter into any extensions, amendments, or modifications to the Lease (including without limitation, the exhibits) that the Director of Property determines, in consultation with the City Attorney, are

in the best interest of the City, do not materially reduce the rent or otherwise materially increase the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes of the Lease or this Resolution, and are in compliance with all applicable laws, including City's Charter; and, be it

FURTHER RESOLVED, That within thirty (30) days of the Communications Site Lease being fully executed by all parties, RED shall provide the agreement to the Clerk of the Board for inclusion in the official file.

RECOMMENDED:

_____/s/_____
Linda Gerull
Chief Information Officer
Executive Director of the Department of Technology

RECOMMENDED:

_____/s/_____
Andrico Q. Penick
Director of Property