



September 21, 2023

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

RE: Lease Agreement – Department of Technology 2205 Jennings Street

Dear Honorable Board Members:

Attached please find a Resolution authorizing and approving a lease agreement of approximately 10,000 square feet of warehouse space and a 5,000-sf. parking yard at 2205 Jennings Street for the Department of Public Technology (“DT”).

DT’s Radio Shop is located at 200 Paul Avenue and it entered into a companion lease for storage of vehicles, material and equipment nearby at 1755 Egbert. In June 2021, the owners of the Egbert Property sold the property and the City was given 60 days to vacate.

The Real Estate Division was able to locate suitable relocation space at 2205 Jennings, and entered into a short-term lease, that allowed the Department to relocate within the notice period.

The Real Estate Division has negotiated a longer-term lease at this site, that will commence upon approval by the Board of Supervisors and Mayor and mirror the terms of the Lease at 200 Paul Avenue expiring on December 31, 2026, with one additional option to extend for 5 years.

The Director of Property has determined that \$22,000 per month (\$264,000 annually), with annual 3% adjustments, is at or below fair market value for the site. DT is responsible for paying its own utilities and the percentage share increase in expenses after the base year.

The Department of Technology and the Real Estate Division recommend and request your approval of the proposed lease agreement.

If should you have any questions regarding this matter, please get in touch with Jeff Sues, or myself, in our office at 415-554-9873.

Respectfully,

A handwritten signature in blue ink, appearing to read "Andrico Penick".

Andrico Penick
Director of Property