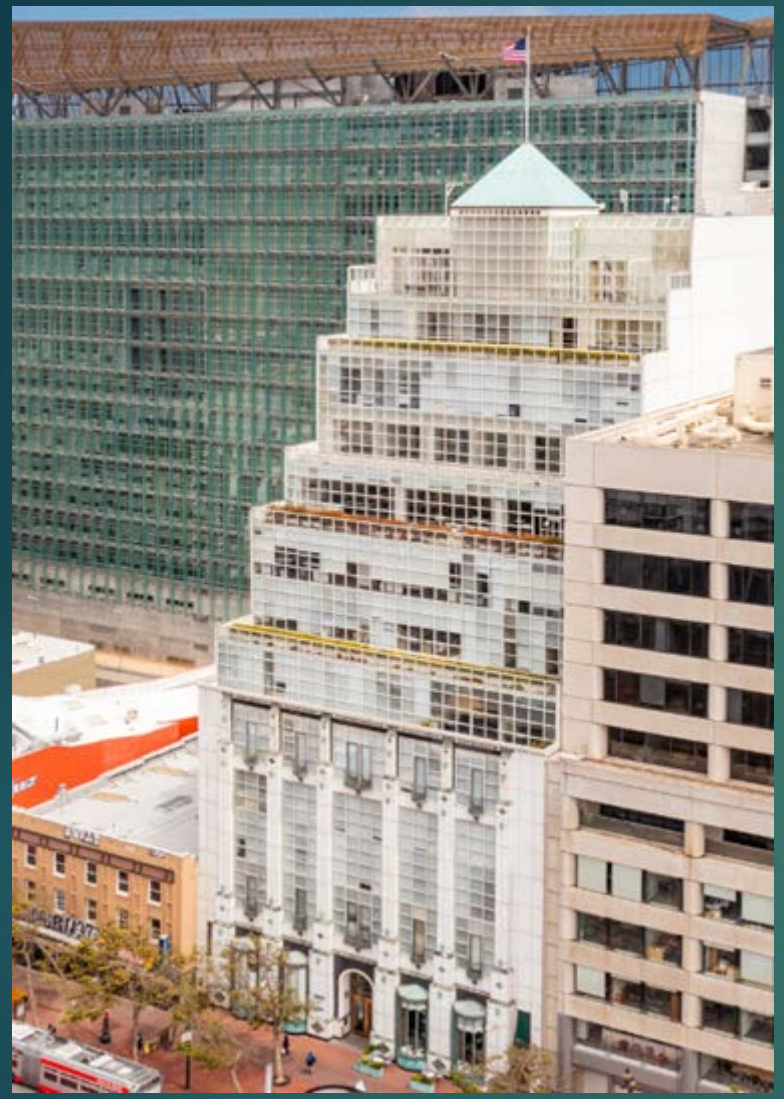

# 1145 Market Street

**Health Service System**
10 Years, one 5 year option

**Law Library**
15 Years one 5 year option

# Background:

On May 3rd 2024, The Board of Supervisors and the Mayor approved Resolution No. 240347 - Authorizing the Real Estate Division to enter into a Lease at 1145 Market Street for Floors 1, 8 through 11 for a total of approximately 45,691 sq.ft on behalf of DPH, DMACC and OCEIA

Today we seek a approval of two additional Resolutions supporting Leases at 1145 Market Street on behalf of:

**Law Library**

**Health Service System**

# Law Library

- Pursuant to State Law, the 1870 Act, the City and County is required to provide a Law Library for public use. San Francisco Charter Section 8.103 is consistent with the 1870 Act. Originally housed in City Hall, the Law Library was relocated to 1145 Market Street in 2013, where it remains today.

Deal Points

Term: 15 Years
Option: 1 additional option for 5 years
Rent: $599,000 (29.95 per sq.ft)
Annual Escalations: 3%
Year 11 Market Reset to 70% of the difference between $40.25 per sq.ft and then current market rent.
Base Year 2025
Full Service, net electricity.

# Health Service System

- San Francisco Health Service System (SFHSS) administers employee benefits for municipal employees and executes all phases of health benefits, including medical, dental, vision and flexible spending accounts. The program has been located at 1145 Market Street on the 1st and 3rd floors since 2005. SHSS now wishes to relocate from the 1st floor to the 2nd floor, contiguous with their 3rd floor.

Term: 10 Years
Option: 1 additional option for 5 years
Rent: $587,000 (29.95 per sq.ft) for 19,659 sq.ft
Annual Escalations: 3%
Full Service, net electricity.
$325,000 in Tenant Improvements, which will pay for the build out of the 2nd floor, relocation from the 1st floor, including wiring and move expenses.

# Questions?