



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



John Updike
Director of Real Estate

July 2, 2013

Honorable Board of Supervisors
City and County of San Francisco
City Hall, 1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102

Re: Resolution authorizing the renewal of the lease at 3801 Third St., Suite 400, San Francisco

Dear Board Members:

Attached for your consideration is a Resolution authorizing the lease of real property located at 3801 Third Street, Suite 400, in San Francisco. The Department of Public Health (DPH) has occupied the premises since 1998 and currently operates its Foster Care, Child Crisis and Crisis Response Team programs at the site.

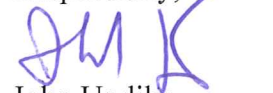
At the request of DPH, the Real Estate Division negotiated the renewal lease with the Landlord, Bayview Plaza, LLC, for the 14,825 square foot premises for an initial 5-year term commencing retroactively on 7/1/13 with one additional 4-year option term at 95% of the prevailing market rent, subject to approval by the Board and Mayor in their sole and absolute discretion.

The full service, fair market monthly rental rate for the initial term is \$38,545 (\$2.60/s.f.), subject to annual Consumer Price Index adjustments commencing on 7/1/14 at no less than 2% and no more than 5%. The current full service monthly rent is \$36,469.50 (\$2.46/s.f.).

At Landlord's cost, a new floor covering shall be installed at an estimated cost of \$60,000. DPH shall provide furniture moving expenses at an estimated cost of \$25,000.

The DPH and Real Estate Division recommend the lease be approved. Subject to the enactment of the FY 2013-2014 annual appropriation ordinance, funds are available in Index Code HMHMCB731943. If you have any questions in this regard, please contact Claudine Venegas of my staff at 554-9872 or Tyrone Navarro with DPH at 255-3405 for program and funding information.

Respectfully,


John Updike
Director of Property

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Attachments

cc: Michelle Ruggels + Tyrone Navarro, DPH
Naomi Kelly, City Administrator

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