



SAN FRANCISCO
DEPARTMENT OF
TECHNOLOGY

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February 1, 2017

Through Naomi Kelly,
City Administrator

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

Re: Resolution to approve Telecommunications Ground Lease for Emergency Radio Tower with California Department of Parks and Recreation in San Bruno Mountain State Park (San Mateo County)

Dear Board Members:

Enclosed for your consideration is a Resolution authorizing the lease of approximately 859 square feet for an existing City-owned and operated emergency radio telecommunications tower (and associated equipment) with the State of California, Department of Parks and Recreation, for use by the Department of Emergency Management and the Department of Technology.

In 1997, the Board of Supervisors approved a 800 MHz Radio System to be installed and used for emergency public services (SFFD, SFPD, SFSD, Public Health, etc.). For optimal coverage within the City, in 1998, the City entered into a lease agreement to use a portion of the land within the City of Daly City's Reservoir 2b Water Tank site on South Hill at Oakridge and Alta Vista in Daly City and built a 40' telecommunications tower. The City has been using the tower ever since. Just recently, in October 2016, the Board of Supervisors adopted Resolution No.16-0967, approving a new 800 MHz Project which proposes to continue to use the existing tower at South Hill for optimal coverage.

Unbeknownst to the City and the City of Daly City, the Reservoir 2b Water Tank site was actually on an easement of, and not owned in fee by, the City of Daly City. In 1980, the California Department of Parks and Recreation ("CDPR") took title to San Bruno Mountain State Park ("SBMSP") subject to an existing 1963 non-exclusive easement benefitting the City of Daly City for a water tank site. Since discovering the tower was on State Park Land, the State, the County of San Mateo, the City of Daly City and the City have been working toward a resolution and lease agreement.

The proposed lease is for the existing tower to remain with replacement microwave dishes for a twenty-five (25) year term. Initial base rent is \$43,884 per year [the standard formula based fee charged by the State derived from the number of antennas (up to 16) within a specific square footage (up to 2,500) less a 25% public entity discount] which increases 3.5% percent annually. It should be noted that this lease does not require an appraisal per Chapter 23 of the Administrative Code, but recent similar cell locations (similar number of antennas) are appraising for approximately \$90,000 per year.



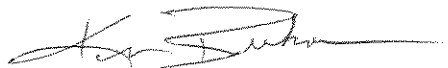
City will be paying for its own metered utilities (approximately \$600/month or \$7,200/year).

In addition, the City must pay a one-time administrative fee of \$1,500.00 to the California Department of Parks and Recreation for preparation of the lease and related documents.

In light of the City's use of the site for over a decade without any payment to the State and the State's waiver of any claims to back or overdue rent at the time of the lease execution, the City and C DPR negotiated a total payment of \$175,000.00, divided in two equal installments over two years to the San Mateo County Parks Department to provide funding toward the following projects and improvements to specifically enhance the public's use and enjoyment of the SBMSP: (a) Old Guadalupe Trail Safety Corridor Project, (b) Seed Collection and Expansion Project, and (c) Bog Area Stewardship Project.

If you have any questions or require further information regarding the Citywide 800 MHz Project please contact Chris Chamberlain (DT) at (415) 603-9629, for questions regarding the lease terms, please contact Claudia J. Gorham (Real Estate Division) at (415) 554-9871.

Respectfully,



Ken Bukowski
Deputy City Administrator
Interim Director
Department of Technology

Enclosures as stated

cc: Anne Kronenberg, Director, DEM
John Updike, Director of Property
Rosemary Martinich, Land Agent, GSA