

SOUTH HILL EMERGENCY RADIO TOWER – State of California, Department of Parks and Recreation – Lease of Radio Tower - San Bruno Mountain State Park

Preliminary Information Request
Budget and Finance Committee Meeting Preparation

Leo Levenson
Deputy Director
Finance & Administration, CFO/CAO
City and County of San Francisco Department of Technology
[415-760-0579](tel:415-760-0579), Leo.Levenson@sfgov.org, sfgov.org/dt
One South Van Ness, 2nd Floor, Office [2209, San Francisco, CA 94103](#)

Claudia J. Gorham
Assistant Director of Real Estate
City & County of San Francisco
Real Estate Division
25 Van Ness, Suite 400
San Francisco, CA. 94102
415-554-9871
claudia.gorham@sfgov.org

1. Attached via email
 - a. Proposed Resolution
 - b. Proposed Lease (and attachments)

2. Lease summary:

	Existing Lease Terms	New Lease Terms
Lease Period	N/A	Twenty-five Years July 1, 2017 – June 30, 2042
Size of property	N/A	One 40' Emergency Telecommunications Tower with up to 16 total antenna and related equipment on approximately 859+/- (less than 2,500 square feet)
Options to extend the lease	N/A	N/A
Base rent paid by tenant	N/A	\$ 3,653.66 per month (\$43,884 per yr.)

Annual rent adjustments to base rent	N/A	3.5 % per year
Tenant Improvement Allowance	N/A	None; No Tenant Improvements required
Utilities and services	N/A	City to pay for electric during term approximately \$7,200 per year
Administrative Fee	N/A	One-time fee - \$1,500.00
State Parks Benefit Fund	N/A	\$175,000 – two equal installments over two years

3. In 1997, the Board of Supervisors approved an 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. No rent was charged by the City of Daly City. 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.

4. N/A. The City and State will negotiate a new lease if tower continues to be needed.

5. N/A – No Tenant Improvements required. City supplies own equipment and own utilities and maintenance.

6. The State of California has the right to place one antenna on the tower if needed and there is room on the tower at no cost to State.

7. The existing tower is one of eight integral (required) towers of the City's existing and new Emergency Radio System to provide coverage for the City.

8. Similar cell locations (with similar number of antennas) are appraising for approximately \$90,000 or over per year. The City's yearly base rental for cell towers

(up to three antennas) was \$60,000 per year and increased in 2017 to \$78,000 not including additional antennas, towers, or square footage.