[Real Property Lease - William J. Piedmonte - 729 Filbert Street - \$531,216 Annual Base Rent]

Resolution authorizing the Director of Real Estate to enter into a Lease of real property located at 729 Filbert Street with William J. Piedmonte, as landlord, for a five-year term to commence upon approval by the Board of Supervisors, at the monthly base rent of \$44,268 for a total annual base rent of \$531,216.

WHEREAS, The City, on behalf of the Department of Public Health ("DPH") entered into a lease in 2003 with William J. Piedmonte, as Landlord, for the Premises comprising approximately 11,067 square feet of space used as a mental health outpatient clinic located at 729 Filbert Street (the "Original Lease"); and

WHEREAS, The Real Estate Division ("RED") on behalf of DPH, negotiated a "New Lease" at a monthly base rent of \$44,268 or \$4 per square foot, increasing annually at CPI not to be less than 2% or greater than 5%, net of utilities, custodial and other services for the Premises, for the five year extension term; and

WHEREAS, RED negotiated the New Lease to require (i) certain leasehold improvements to be provided by Landlord with City responsible for up to only \$39,500; and (ii) an additional five year extension option; now, therefore, be it

RESOLVED, That in accordance with the recommendation of the Director of the Department of Public Health and the Director of Real Estate, the Director of Real Estate is hereby authorized to take all actions on behalf of the City and County of San Francisco, as Tenant, to execute the five year New Lease; and, be it

FURTHER RESOLVED, That commencing upon Board and Supervisors and Mayor approval, the Original Lease will be replaced by the New Lease, with a new monthly base rent for the five year extension term of \$44,268 (\$4 per square foot per month), increasing

annually pursuant to the terms of the New Lease, plus up to \$39,500 in tenant improvements; and, be it

FURTHER RESOLVED, That any action heretofore taken by any City employee or the Director of Property and other officers of the City with respect to the New Lease are hereby approved, confirmed and ratified; and, be it

Estate to enter into any amendments or modifications to the lease (including without limitation, the exhibits) that the Director of Real Estate determines, in consultation with the City Attorney, are in the best interest of the City, do not increase the rent or otherwise materially increase the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes of the lease or this resolution, and are in compliance with all applicable laws, including City's Charter; and, be it

FURTHER RESOLVED, That within 30 days of the New Lease being fully executed by all parties, the Director of Real Estate shall provide a copy to the Clerk of the Board for inclusion into the official file.

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\$283,755 Available

Fund ID: 10000 Department ID: 251984 PS Project ID: 10001792 Authority ID: 10000 Account ID: 4-530110 1000 Activity 10:

Controller

Subject to enactment of the Annual Appropriation Ordinance for Fiscal Year 2019/2020

**RECOMMENDED:** 

Department of Public Health, Director

Real Estate Division, Director

DEPUTY MANAGING



## City and County of San Francisco **Tails**

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

## Resolution

File Number:

190073

Date Passed: March 12, 2019

Resolution authorizing the Director of Real Estate to enter into a Lease of real property located at 729 Filbert Street with William J. Piedmonte, as landlord, for a five-year term to commence upon approval by the Board of Supervisors, at the monthly base rent of \$44,268 for a total annual base rent of \$531,216.

March 06, 2019 Budget and Finance Sub-Committee - RECOMMENDED

March 12, 2019 Board of Supervisors - ADOPTED

Ayes: 9 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Stefani and

Yee

Absent: 2 - Safai and Walton

File No. 190073

I hereby certify that the foregoing Resolution was ADOPTED on 3/12/2019 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

London N. Breed

Mayor