

1 [Real Property Lease Extension - Multiple Ownership - 651 Bryant Street - \$577,920  
2 Annual Base Rent]

3 **Resolution authorizing the General Manager of the San Francisco Public Utilities**  
4 **Commission to exercise a lease extension for the real property located at 651 Bryant**  
5 **Street with William H. Banker, Jr., Successor Trustee of The Banker Trust dated April**  
6 **20, 1992, Fillmore C. Marks, Trustee of The Fillmore and Barbara Marks 1992 Trust,**  
7 **Fillmore Douglas Marks, William C. Marks, and Bradford F. Marks, tenants in**  
8 **common, collectively as landlord, for a ten year extension term, commencing on**  
9 **November 1, 2019, through October 31, 2029, for the continued use by the San**  
10 **Francisco Public Utilities Commission at the monthly base rent of \$48,160 for a total**  
11 **annual base rent of \$577,920.**

12  
13 WHEREAS, The City currently leases approximately 14,000 square feet of  
14 warehouse and office space on an approximate 19,000 square foot lot at 651 Bryant Street  
15 (Premises) from Landlord by a Lease dated May 12, 2009 (Lease) authorized by Board of  
16 Supervisors Resolution No. 0315-09, a copy of the Lease is on file with the Clerk of the  
17 Board of Supervisors under File No. 190455; and

18 WHEREAS, The Premises are occupied by the San Francisco Public Utilities  
19 Commission's (SFPUC) Power Enterprise's Utility Field Services (UFS) Division which  
20 provides engineering, technical, and field services in the management, operation,  
21 maintenance, replacement and new installations for the City-owned electric distribution  
22 systems and approximately 25,000 streetlights in San Francisco; and

23 WHEREAS, SFPUC's UFS Division also operates and maintains facilities for the  
24 San Francisco International Airport, the Port of San Francisco and on Treasure Island and  
25

1 Yerba Buena Island owned by the Treasure Island Development Authority, plus various  
2 redevelopment projects; and

3 WHEREAS, The Premises are adjacent to the City-owned facilities at 639 Bryant  
4 Street and are critical to the operation of the SFPUC's UFS Division at both properties.

5 WHEREAS, The Lease expires October 31, 2019; and

6 WHEREAS, The Lease includes an option for one additional ten-year extension  
7 period at 95% of fair market rent; and

8 WHEREAS, The Real Estate Division ("RED") on behalf of SFPUC, negotiated the  
9 95% of fair market monthly base rent to be \$48,160 or \$3.44 per square foot, increasing  
10 annually at 3%, net of utilities and janitorial services for the Premises, for the ten-year  
11 extension term; and

12 WHEREAS, On April 23, 2019, at a public meeting of the SFPUC, the Commission  
13 adopted Resolution No. 19-0081, a copy of which is on file with the Clerk of the Board of  
14 Supervisors under File No. 190455, approving the lease extension for the term and at the rent  
15 and on specified business terms which are contained in the Lease; and,

16 WHEREAS, The Lease extension is subject to enactment of a resolution by the  
17 Board of Supervisors and Mayor; now, therefore, be it

18 RESOLVED, That in accordance with the recommendation of the San Francisco  
19 Public Utilities Commission, the General Manager of the San Francisco Public Utilities  
20 Commission is hereby authorized to take all actions on behalf of the City and County of  
21 San Francisco, as Tenant, to exercise the ten-year extension term commencing on  
22 November 1, 2019; and, be it

23 FURTHER RESOLVED, That commencing on November 1, 2019, the monthly rent  
24 for the ten-year extension term shall be \$48,160 (\$3.44 per square foot), increasing  
25 annually at 3%; and, be it

1           FURTHER RESOLVED, That the City shall continue to pay for its own utilities and  
2 janitorial expenses and increases in typical property operating expenses over a 2019 Base  
3 Year; and, be it

4           FURTHER RESOLVED, That any action taken by any City employee or official with  
5 respect to the exercise of the extension provision contained in the lease is hereby ratified  
6 and affirmed; and, be it

7           FURTHER RESOLVED, That the Board of Supervisors authorizes the General  
8 Manager of the SFPUC to enter into any amendments or modifications to the lease (including  
9 without limitation, the exhibits and exercising the additional extension option pursuant to the  
10 terms of the Lease) that the General Manager of the SFPUC determines, in consultation with  
11 the City Attorney, are in the best interest of the City, do not increase the rent or otherwise  
12 materially increase the obligations or liabilities of the City, are necessary or advisable to  
13 effectuate the purposes of the lease or this Resolution, and are in compliance with all  
14 applicable laws, including City's Charter; and, be it

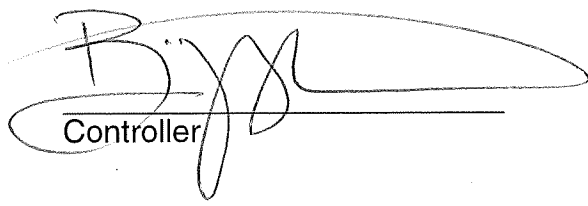
15           FURTHER RESOLVED, That within 30 days of the Lease Extension being fully  
16 executed by all parties, the General Manager of the SFPUC shall provide a copy to the  
17 Clerk of the Board for inclusion into the official file.

18  
19           ///  
20  
21  
22  
23  
24  
25


1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

\$385,280 Available  
(Monthly rent from November 1, 2019 to June 30, 2020)

Department ID: 298650  
PS Project ID: 10029985  
Authority ID: 10000  
Account ID: 53000  
Activity ID: 0006

  
Controller

RECOMMENDED:

  
San Francisco Public Utilities Commission  
Pursuant to SFPUC Resolution 19-0081



City and County of San Francisco

Tails  
Resolution

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

File Number: 190455

Date Passed: June 04, 2019

Resolution authorizing the General Manager of the San Francisco Public Utilities Commission to exercise a lease extension for the real property located at 651 Bryant Street with William H. Banker, Jr., Successor Trustee of The Banker Trust dated April 20, 1992, Fillmore C. Marks, Trustee of The Fillmore and Barbara Marks 1992 Trust, Fillmore Douglas Marks, William C. Marks, and Bradford F. Marks, tenants in common, collectively as landlord, for a ten year extension term, commencing on November 1, 2019, through October 31, 2029, for the continued use by the San Francisco Public Utilities Commission at the monthly base rent of \$48,160 for a total annual base rent of \$577,920.


May 22, 2019 Budget and Finance Sub-Committee - RECOMMENDED

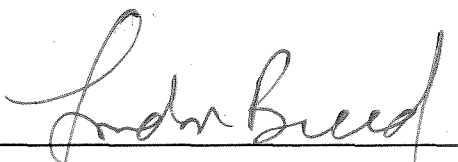
June 04, 2019 Board of Supervisors - ADOPTED

Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

File No. 190455

I hereby certify that the foregoing  
Resolution was ADOPTED on 6/4/2019 by  
the Board of Supervisors of the City and  
County of San Francisco.

  
Angela Calvillo  
Clerk of the Board

  
London N. Breed  
Mayor

  
Date Approved