



Date: October 21, 2024

### Leasing Opportunity – 160 Napoleon Ave. – San Francisco - 94124

**Dear Potential Tenant:** 

The City and County of San Francisco (City) owns certain real property at 160 Napoleon Street, San Francisco (Property), under the jurisdiction of the San Francisco Public Utilities Commission (SFPUC). The SFPUC is interested in r licensing the use of a portion the Property on an interim basis until it is needed for SFPUC's operational purposes, as described below.

### **Property Overview**

**License Area**: Approximately 20,600 rentable square feet, consisting of a portion of Block 4343 Lot 31, north of Napoleon Avenue and east of Jerrold Street in San Francisco, California, which is depicted in attached <a href="Exhibit A">Exhibit A</a> (License Area). Images of the License Area are shown in <a href="Exhibit B">Exhibit B</a>. The License Area is paved and enclosed on all sides, as depicted in images B-1 and B-2. Entry is via a rolling gate off Jerrold Avenue, as depicted in image B-3.

#### **Potential Term**

In connection with the SFPUC's Sewer System Improvement Program (, the SFPUC is planning a project entitled the Kansas and Marin Streets Sewer Improvements Project (Project). To facilitate the Project, the SFPUC will need to either suspend, revoke, or terminate agreements on the future License Area to allow the SFPUC to use the License Area and other portions of the Property for construction traffic circulation, construction staging, and storage of materials and equipment.

The timeline for the Project is still unknown but could occur as early as 2029. Therefore, any new agreement(s) that the SFPUC will issue for the use of the License Area will be for a term not to exceed five years. Any options to extend would be at the sole discretion of the SFPUC, provided the agreement/option(s) would be terminable with prior notice by the SFPUC.

London N. Breed Mayor

> Kate H. Stacy Commissioner

Joshua Arce Commissioner

Avni Jamdar Commissioner

Steve Leveroni
Commissioner

**Dennis J. Herrera** General Manager



**OUR MISSION:** To provide our customers with high-quality, efficient and reliable water, power and sewer services in a manner that values environmental and community interests and sustains the resources entrusted to our care.

### **Base Rent and Other Expenses**

The monthly rent (or use fee) will be based upon the fair market rental value of the License Area, accounting for the term and to the extent applicable, the existing condition. Rent will increase annually by four percent and licensee will generally be responsible for all taxes, insurance, maintenance, and repair expenses. A commercially reasonable security deposit and processing fee will apply.

#### **Permitted Uses**

The SFPUC anticipates the sole permitted use of the License Area will be for **non-revenue generating** vehicle parking. Specifically, a commercial parking lot operation and parking for food trucks and fleet and vending vehicles will be disallowed. The agreement will not allow the construction or installation of any structures. Additionally, stockpiling or storing of soils or large objects or materials that cannot be easily relocated in the event of an emergency will be expressly disallowed.

It is the SFPUC's strong preference to not subdivide or otherwise enter into an agreement for only a portion of the License Area. The licensee may not directly or indirectly assign, permit or license any portion of the Premises to be used or occupied by anyone other than itself, or sublet any portion of the Premises without City's prior written consent.

## **Existing Condition of the License Area**

The asphalt within the License Area is in disrepair and may require demolition, grading, and replacement prior to safely and functionally occupying the License Area. There is also a need to improve the drainage in and around the License Area, as significant flooding has been reported during rain events. Any licensee should plan to perform a substantive amount of repair work prior to occupying the License Area for its intended purpose.

If it is determined that the restorative work will benefit the License Area and the Property as a whole, the SFPUC may consider providing a tenant improvement allowance or otherwise, rent credits to help offset the expense of such work. Any such concessions would be determined during lease/license negotiations.

The licensee will need to acknowledge and accept that the License Area will be leased and accepted in its "AS IS, WITH ALL FAULTS" condition.

#### Restrictions

The License Area contains a subsurface 12-foot diameter concrete sewer box that transports stormwater wastewater. All of licensee's activities will be subject and subordinate at all times to City's existing and future use of the License Area for municipal and other purposes. City will in no way be liable for any damage or destruction to licensee's property and/or resulting from the condition of the License Area or the SFPUC facilities, from any wastewater facility break or from any wastewater facility repair or maintenance activities. At City's request, licensee will immediately remove any of licensee's property or improvements from the License Area to allow City access to the SFPUC facilities. If City deems it necessary, at City's sole discretion, City may remove any such property or improvements and City will not be responsible for restoring or returning the same to its prior condition.

Any potential uses that involve heavy loads over the box would likely require a site-specific structural analysis to be performed by the licensee.

The effects of vehicle and equipment loads to the City's facilities must not exceed the effects of the "AASHO Standard H-10 Loading." H-10 loading is defined as loading caused by a two-axle truck with a gross weight often tons (20,000 lbs.), axles fourteen feet (14') apart, and rear axle carrying 8-tons (16,000 lbs.). Tenant shall be responsible to provide SFPUC adequate evidence that licensee's equipment and vehicles meet these requirements.

#### **Next Steps**

If you are interested in this opportunity or have any questions about this offering, please email a proposal or your questions to <a href="mailto:res@sfwater.org">res@sfwater.org</a> with the subject line **160 Napoleon Street**.

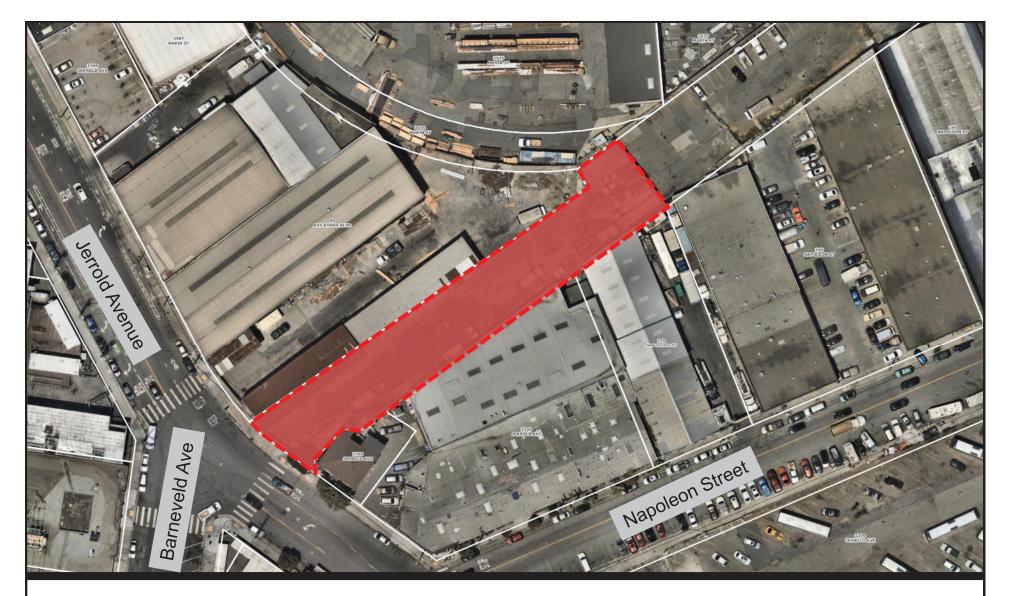
Unless this notice is otherwise extended, the last date to express interest in this opportunity is November 8, 2024.

We appreciate your interest and hope to hear from you.

# Exhibit A

License Area

[See Attached]



# Exhibit A - Lease Area

Portion of Sewer Box Right of Way, north of Napoleon Avenue and east of Jerrold Street in San Francisco, California (APN 4343/031) consisting of approximately 20,600 square feet





This map is for informational purposes and was not prepared for legal, engineering, or surveying purposes. It does not represent an on the ground survey and represents only the approximate relative location of property boundaries and facilities. © San Francisco Public Utilities Commission



# Exhibit B

# Images of Leasing Area

# Image B-1



Image B-2



Image B-3

