



Edwin M. Lee, Mayor
Naomi M. Kelly, City Administrator



John Updike
Director of Real Estate

March 12, 2014

Sheriff
Renewal of Lease of Real Property
70 Oak Grove
Assignment #6751

Through Naomi Kelly,
City Administrator

Honorable Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Carlton B. Goodlett Place
San Francisco, CA 94102

Dear Board Members:

Attached for your consideration is a Resolution authorizing the five (5) year extension of an existing lease at 70 Oak Grove, for the continued use by the Sheriff's Department for the 5 Keys Charter School and the Community Programs Division of the San Francisco Sheriff's Department (SFSD- CPD).

According to the Sheriff, the Five Keys Charter School offers a range of educational services for those both in and out of custody and SFSD-CPD combines sworn officers and civilians working together to help individuals to change their lives by providing re-entry programs and alternatives to incarceration. SFSD-CPD programs which operate at 70 Oak Grove include NoVA (the No Violence Alliance), the SWAP (Sheriff's Work Alternative Program), Electronic Monitoring and Post Release Education Programs (PREP). Attachment One provides information on each of the programs.

The Sheriff's Department has leased the building at 70 Oak Grove (approximately 10,000 sq. ft.) for the past 10 years pursuant to Board Resolution 109-04. The existing lease expires on May 30, 2014 and includes a five (5) year option to extend the term at 95% of the Fair Market Rent. The Lease extension is subject to authorizing legislation by the Board of Supervisors and the Mayor. The proposed Resolution authorizes the extension of the lease through May 30, 2019.

Pursuant to the terms of the Lease, Landlord and City have negotiated in good faith a determination of the 95% of Fair Market Rent, considering all factors including the parking areas, to be \$446,500 annually or approximately \$44.65 per square foot, annually.

The proposed Base Rent for the renewal remains fixed for the entire 5 year term. The City shall continue to pay for its own janitorial (provided by SWAP) and utilities at a current cost of approximately \$1,950.80 per month (approximately \$2.34 per sq. ft. annually).

We recommend approval of the proposed lease renewal. If you have any questions regarding this matter, please contact Charlie Dunn of our office at 554-9861.

Respectfully,

John Updike
Director of Real Estate

cc Ross Mirkarimi, Sheriff
Bree Mawhorter, SFSD

Attachment One

Sherriff's Letter