

1 [Real Property Lease - Gough Club, LLC - 42 Gough Street - \$44,472 Initial Base Rent]

2
3 **Resolution authorizing and approving the lease of real property located at 42 Gough**
4 **Street, with Gough Club, LLC, a California limited liability corporation, for a three year term at**
5 **an initial base rent of \$44,472 per year with annual rent increases based on the**
6 **Consumer Price Index of 3% to 5%, with one option to extend for one-year, effective**
7 **upon approval of this Resolution; authorizing the Director of Property to enter into any**
8 **additions, amendments, or other modifications to the Lease that do not materially**
9 **increase the obligations or liabilities of the City to effectuate the purposes of the Lease**
10 **or this Resolution.**

11
12 WHEREAS, The City and County of San Francisco’s Human Services Agency (“HSA”)
13 operates the Family and Children’s Services Program (“FCS”) which provides child welfare
14 services that promote safety, permanency, and well-being of children, youth and families; and

15 WHEREAS, HSA desires to open a “Parent Resource Hub” for FCS to provide
16 centralized support services to the foster parent community with donated items such as
17 formula and diapers for infants, games and activities for older children, and training and
18 meeting space for new foster parents and mentors; and

19 WHEREAS, On behalf of HSA, the Real Estate Division (“RED”) negotiated an
20 agreement for 1,744 square feet of office space, at 42 Gough Street (“Property”) with property
21 owner, Gough Club, LLC, a California limited liability corporation (“Landlord”); and

22 WHEREAS, The lease (“Lease”) provides a base rent of \$44,472 per year (\$25.50 per
23 square foot) and annual adjustments between 3% and 5%; and

24 WHEREAS, Rent payments commence two months after the commencement date;
25 and

1 WHEREAS, The Lease, a copy of which is on file Clerk of the Board of Supervisors in
2 File No. 231035, provides a three-year term commencing upon approval by the Board of
3 Supervisors and Mayor, and a one-year option to further extend the term; and

4 WHEREAS, The Lease provides for new floor coverings, new paint, and other tenant
5 improvements and security upgrades at Landlord’s sole cost; and

6 WHEREAS, HSA has the option to add up to two parking spaces at \$120 per month
7 per space for use by foster parents donating and picking up goods and supplies, and
8 volunteers managing programs at the Parent Resource Hub; and

9 WHEREAS, The Director of Property has opined that the base rent is equal to or less
10 than fair market rent for similar space; now, therefore, be it

11 RESOLVED, That in accordance with the recommendations of the Director of Property
12 and the Director of the Human Services Agency after consulting with the City Attorney, the
13 Board of Supervisors authorizes the Director of Property on behalf of the City, as Tenant, to
14 take all actions to effectuate the proposed Lease at 42 Gough Street; and, be it

15 FURTHER RESOLVED, That the Board of Supervisors approves the Lease and its
16 terms and authorizes the Director of Property, on behalf of the City, to enter into any
17 amendments or modifications to the Lease (including without limitation, the exhibits) that the
18 Director of Property determines, in consultation with the City Attorney, are in the best interest
19 of the City, do not materially increase the rent or otherwise materially increase the obligations
20 or liabilities of the City; are necessary or advisable to effectuate the purposes of the Lease
21 and this Resolution; and are in compliance with all applicable laws, including the City Charter;
22 and, be it

23 FURTHER RESOLVED, That all actions heretofore taken by the officers of the City
24 with respect to the Lease are hereby approved, confirmed and ratified; and, be it

1 FURTHER RESOLVED, That within thirty (30) days of the Lease being fully-executed
2 by all parties, RED shall provide the agreement to the Clerk of the Board for inclusion into the
3 official file.

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

Available: \$29,648
(base rent for period 11/1/2023 through
6/30/2024)

Fund ID:	10000 - GF Annual Account Ctrl
Department ID:	149657 - HSA AM Central Management
Project ID:	10001700 - HS AD County Expense Claim
Authority ID:	10000 - Operating
Account ID:	530110 - Property Rent
Activity ID:	1 - Allocable Staff & Overhead

_____/s
Michelle Allersma, Budget and Analysis
Division Director on behalf of
Ben Rosenfield, Controller

Funding for Fiscal Year 2024/2025 is
subject to the enactment of the Annual
Appropriation Ordinance for Fiscal Year
2024/2025

RECOMMENDED:

_____/s/
Dan Kaplan
SFHSA Deputy Director

RECOMMENDED:

_____/s/
ANDRICO Q. PENICK
Real Estate Division
Director of Property