



May 3, 2024

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

RE: Lease for Café and License for Seating Area to New Community Leadership Foundation, DBA Café Melange, at City Hall

Dear Board Members:

Attached for your consideration is a Resolution Authorizing and Approving a Lease for café space (1,426 square feet) and a License for a seating area (1,360 square feet) with New Community Leadership Foundation (NCLF), dba Café Melange, at City Hall (together "the Premises"). The location of the café will be the same space used by the prior café operator on the building's ground level.

City Hall has been without a food and coffee amenity since September of 2020, during the pandemic. The Real Estate Division (RED) conducted a competitive solicitation to identify a qualified café operator. The responding proposals were evaluated using criteria such as experience and operational benchmarks. Of those submitted, NCLF's proposal was ranked highest. RED negotiated the proposed real property agreement and asks for your positive recommendation.

Café Melange is a group of restaurants with a unified vision: To introduce the rich, eclectic flavors of the African diaspora to City Hall and to shine a spotlight on the talented chefs and restaurateurs in the underserved 3rd Street-Bayview corridor. Participating restaurants include Tallios, Radio Africa & Kitchen, Gumbo Social and Yvonne's Southern Sweets. The cafe is operated with the support of the San Francisco Human Rights Commission and Office of Economic and Workforce Development's Dream Keeper Initiative.

The Lease provides a 5-year term and one 5-year renewal option, retroactively commencing March 1st, 2024, with rent payments beginning July 1st, 2024. Rent is set at 10% of gross receipts from sales, subject to a minimum flat rate rent of \$200.00 per month. Tenant improvement costs are to be borne by the Tenant, while operations and maintenance of the

Premises will be supported by RED's existing mechanical, electrical and plumbing staff, at no additional cost.

The License provides 1,360 square feet of patron seating in the multi-purpose room adjacent to the café. The seating space will be available to the cafe on a non-exclusive basis, allowing for after-hours use and coordinated business-hours use for other public functions, such as overflow election polling stations.

Should you have any questions regarding this transaction, please contact me at 415-554-9850.

Respectfully,



Andrico Q. Penick
Director of Property