



INTEROFFICE MEMO / MEMO TO FILE

January 22, 2024

To: Andrico Penick, Director of Property

From: Elsa Lamb, Hall of Justice Facilities Manager
Burt Hirschfeld, Senior Real Property Officer

SUBJECT: Hall of Justice Proposed Children's Waiting Room:
Valuation and Finding of Public Purpose, Fair Market Value of \$1.00 Annually Permit to Enter and Use Property Agreement with Mission Neighborhood Center, Inc.

Background

The California Superior Court (Courts) has demonstrated a desire to re-open the former Children's Waiting Room at the Hall of Justice which has been closed since the onset of the COVID-19 pandemic in 2020.

The Courts have contracted with a new non-profit operator, Mission Neighborhood Center, Inc., to operate the children's waiting room with the following purposes in mind, 1) to provide a safe place for children accompanying their parents, guardians, caregivers, etc., while tending to Court matters at the Hall of Justice, 2) to protect children from the difficult and often stressful atmosphere surrounding Court proceedings, and 3) to reduce noise disruption in the courtroom.

Mission Neighborhood Center, Inc., as Permittee, will accept the premises, consisting of approximately 355 rentable square feet located at Room 106 in the Hall of Justice in "as is" condition and will use the premises in accordance with the public purpose to serve children while their caregivers are visiting the Hall of Justice, a benefit not only serving the California Superior Court, but other Hall of Justice tenants and users. City departments within the justice system, such as the Public Defender's Office and the District Attorney's Office, will also benefit from this free drop-in public service while their clients attend court hearings as a litigant, witness, or for other court purposes at the Hall of Justice.

Importantly, the benefit will extend to the residents of San Francisco at large, i.e., the general public, called upon to fulfill their civic duty as jurors or potential jurors. San Franciscans will be able to avail themselves of valuable and free child care services while participating in court proceedings.

Valuation And Public Benefit

The proposed annual permit fee is \$1.00. As set forth above, all visitors to the Hall of Justice, the tenants, City and Court staff, jurors and the general public may all use the Children's Waiting Room. The value of services as a public benefit provided by the Mission Neighborhood Center to support parents, guardians, and caregivers at the Hall of Justice far exceeds the proposed \$1.00 annual fee.

Although last memorialized eleven years ago, the agreement between the Real Estate Division (RED) and the previous children's waiting room operator, might be the closest example of a comparable *financial* transaction. The annual rent under that agreement was \$1.00.

The City has entered into several other agreements for uses that provide a demonstrable public benefit for nominal and rent-free agreements.

Conclusion

At \$1.00 per year, the consideration in exchange for the proposed Permit to Enter and Use Property agreement is consistent with fair market value and supports the finding of public purpose as defined in Chapter 23 of the Administrative Code for the City and County of San Francisco.