



London N. Breed, Mayor  
Naomi M. Kelly, City Administrator

Andrico Q. Penick  
Director of Real Estate

July 9, 2019

Through Naomi Kelly  
City Administrator

Honorable Board of Supervisor  
City and County of San Francisco  
City Hall, Room 224  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

**RE: Real Property Acquisition of 1828 Egbert Avenue**

Dear Board of Supervisors:

On behalf of the San Francisco Police Department ("SFPD") and the City's Real Estate Division, attached for your consideration is a resolution approving and authorizing the Director of Property to purchase the real property located at 1828 Egbert Avenue in San Francisco (subject to future authorization of funding to be considered by this Board). The primary purpose of this acquisition is for the City's use as a secure storage facility. The facility will be used primarily to store SFPD Evidence and Property.

The SFPD Evidence storage facility is currently located at the Hall of Justice ("HOJ"). The SFPD Property storage is in a leased facility at 606 Manseau Street, in the Hunters Point Naval Shipyard ("Bldg. 606"). As is well-documented, City Departments are moving out of the HOJ as part of the demolition and reconstruction of the HOJ. In addition, SFPD must move out of Bldg. 606 due to environmental factors. This proposed purchase is a permanent, cost-effective replacement to house *all* SFPD evidence and property under one roof.

The site includes an existing four-story building, with a reinforced concrete frame totaling approximately 126,988 square feet and a paved surface lot consisting of approximately 63,300 square feet which can be used for secured parking of public safety vehicles and cars seized by the police. The structure of the existing building has a seismic importance factor of 1.5, which means the building is in essence a vault, allowing the City to avoid the exorbitant costs associated with constructing a new, or upgrading a comparable facility, up to the same structural integrity. Enhanced structural performance is particularly important as the SFPD must store and maintain evidence and property while adhering to a clean chain of custody.

The City has negotiated an acquisition price of \$67,300,000, a price that an MAI appraisal and appraisal review have each confirmed as below Fair Market Value. The proposed legislation before

you approves the purchase subject to future legislation (anticipated in fall of this year) authorizing the issuance of certificates of participation or another form of indebtedness.

Should you have any questions or need additional information, do not hesitate to call me.

Respectfully,



Andrico Penick  
Director of Property