

1 [Real Property Lease - Evans Investment Partners, LLC - 752 Vallejo Street - \$40,125 Rent in
2 the Base Year - Estimated \$62,819 Tenant Improvements Cost]

3 **Resolution authorizing the Director of Property, on behalf of the Police Department, to**
4 **execute a lease of 750 rentable square feet at 752 Vallejo Street, with Evans Investment**
5 **Partners, LLC, for an initial term of five years plus one five-year option to extend, at a**
6 **base-year rent expense to the City of \$40,125; construction of tenant improvements**
7 **costing the City an estimated \$62,819; and finding the proposed transaction is in**
8 **conformance with the General Plan, and the eight priority policies of Planning Code,**
9 **Section 101.1.**

10
11 WHEREAS, The San Francisco Police Department’s (“SFPD”) Central Station is
12 located at 766 Vallejo Street in San Francisco (“Station”); and

13 WHEREAS, The investigative unit is located within the squad room in temporary
14 cubicles until another space could be located; and

15 WHEREAS, 752 Vallejo Street, adjacent to the Station across Emery lane, had 750
16 square feet of space available to Lease; and

17 WHEREAS, The City’s Real Estate Division negotiated a lease between the City and
18 County of San Francisco and Evans Investment Partners, LLC (“Landlord”) dated
19 August, 1 2017 (the “Lease”) for the lease of 750 rentable square feet of retail space
20 (“Premises”) at the property located at 752 Vallejo Street for an initial term of 5 years (“Initial
21 Term”), a copy of which is on file with the Clerk of the Board of Supervisors in File
22 No. 170745, which is hereby declared to be a part of this resolution as if set forth fully herein;
23 and

24 WHEREAS, Base rent during the Initial Term is \$3,345 per month (\$40,125 per year)
25 increasing each year by the San Francisco-Oakland-San Jose CPI index over the prior 12-

1 month period, at a rate not lower than three (3%) percent and not higher than five (5%)
2 percent; and

3 WHEREAS, Upon expiration of the Initial Term, City has one (1), five-year (5 years
4 each) option to extend the Lease at “fair market rent” at the time of each extension; and

5 WHEREAS, City requires tenant improvements for the City’s lawful occupancy of the
6 Premises (“Tenant Improvements”) which shall not exceed \$74,069 (“Tenant Improvements
7 Budget”) and the Tenant Improvements Budget shall be paid by: (i) Landlord providing
8 \$11,250 of the Tenant Improvements Budget at no cost to City, and (ii) City will pay Landlord
9 up to \$62,819 upon completion of the improvements; and

10 WHEREAS, The Real Estate Division on behalf of SFPD submitted a General Plan
11 Referral application for the Lease of the property located at 752 Vallejo Street and the
12 Planning Department’s found the Project, on balance, in-conformity with the General Plan,
13 Case No. 2016-006168GPR; and

14 WHEREAS, The use allowed at 752 Vallejo is retail space and the intended use by
15 SFPD is as office space, the Real Estate Division on behalf of the SFPD, submitted an
16 application for a Conditional Use Authorization, Case No. 2016-006168CUAGPR involving a
17 change of use, the motion was Adopted on August 11 Planning Motion No. 19721; and

18 WHEREAS, Upon the execution of this Lease (“Commencement Date”), Landlord will
19 work diligently to satisfactorily complete the (i) Tenant Improvements; and

20 WHEREAS, Consequences of delay or inaction, could continue to impact the
21 operations of the Central Station; now, therefore, be it

22 RESOLVED, That the Board of Supervisors hereby finds that the lease of 752 Vallejo
23 Street, is consistent with the General Plan, and the Priority Policies of Planning Code,
24 Section 101.1 and hereby incorporates such findings by reference as though fully set forth in
25 this Resolution; and, be it

1 FURTHER RESOLVED, That the Board of Supervisors hereby approves the terms and
2 conditions of the Lease; and, be it

3 FURTHER RESOLVED, That the Board of Supervisor hereby authorizes and directs
4 the Director of Property to negotiate and execute the Lease; and, be it

5 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Director
6 or Property to enter into any amendments or modifications to the Lease, including, without
7 limitation, the exhibits that the Director of Property determines in consultation with the City
8 Attorney, are in the best interest of the City; do not materially increase the obligations or
9 liabilities of the City; are necessary or advisable to effectuate the purposes and intent of the
10 Lease or this resolution; and are in compliance with all applicable laws, including the City
11 Charter; and, be it

12 FURTHER RESOLVED, Said Lease shall be subject to certification as to funds by the
13 Controller as provided in Section 23.23, pursuant to Charter, Section 3.105; and, be it

14 FURTHER RESOLVED, That within thirty (30) days of the agreements being fully
15 executed by all parties, the Director of Real Estate shall provide the agreements to the Clerk
16 of the Board for inclusion into the official file.

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Index code: 385036
Sub Object: 03011

Controller

Subject to the enactment of the 2017/2018
Annual Appropriation Ordinance

RECOMMENDED:

Director of Property

William Scott, Chief of Police