

BOARD of SUPERVISORS



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MEMORANDUM

Date: September 20, 2023
To: Planning Department
From: Stephanie Cabrera, Clerk of the Homelessness and Behavioral Health Select Committee
Subject: Board of Supervisors Legislation Referral - File No. 230974
Sublease Agreement - California State Lands Commission - Candlestick Point State Recreation Area - Vehicle Triage Center - Base Rent of \$312,000

- ☒ California Environmental Quality Act (CEQA) Determination
(*California Public Resources Code, Sections 21000 et seq.*)
 - ☐ Ordinance / Resolution
 - ☐ Ballot Measure
- ☐ Amendment to the Planning Code, including the following Findings:
(*Planning Code, Section 302(b): 90 days for Planning Commission review*)
 - ☐ General Plan ☐ Planning Code, Section 101.1 ☐ Planning Code, Section 302
- ☐ Amendment to the Administrative Code, involving Land Use/Planning
(*Board Rule 3.23: 30 days for possible Planning Department review*)
- ☐ General Plan Referral for Non-Planning Code Amendments
(*Charter, Section 4.105, and Administrative Code, Section 2A.53*)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)
- ☐ Historic Preservation Commission
 - ☐ Landmark (*Planning Code, Section 1004.3*)
 - ☐ Cultural Districts (*Charter, Section 4.135 & Board Rule 3.23*)
 - ☐ Mills Act Contract (*Government Code, Section 50280*)

☐ Designation for Significant/Contributory Buildings (*Planning Code, Article 11*)

Please send the Planning Department determination to Stephanie Cabrera at Stephanie.Cabrera@sfgov.org.

1 [Sublease Agreement - California State Lands Commission - Candlestick Point State
2 Recreation Area - Vehicle Triage Center - Base Rent of \$312,000]

3 **Resolution authorizing and approving the Director of Property, on behalf of the**
4 **Department of Homelessness and Supportive Housing, to negotiate and enter into a**
5 **sublease agreement for 312,000 square feet of property owned by the California State**
6 **Lands Commission and leased to the California Department of Parks and Recreation,**
7 **for the City's continued use as the Bayview Vehicle Triage Center at Candlestick Point**
8 **State Recreation Area, for a term of two years commencing on or about January 13,**
9 **2024, through January 12, 2026, for a base rent of \$312,000 per year; authorizing the**
10 **Director of Property to execute documents, make certain modifications and take certain**
11 **actions in furtherance of the sublease; affirming findings under the California**
12 **Environmental Quality Act; and finding the proposed sublease is in conformance with**
13 **the General Plan, and the eight priorities of Planning Code, Section 101.1.**
14

15 WHEREAS, The Department of Homelessness and Supportive Housing's ("HSH")
16 mission is to prevent homelessness when possible and to make homelessness a rare,
17 brief, and one-time experience in San Francisco through the provision of coordinated,
18 compassionate, and high-quality services; and

19 WHEREAS, With the enactment of Resolution No. 319-18 in October 2018, the
20 Board of Supervisors and Mayor London N. Breed declared a shelter crisis and affirmed
21 San Francisco's commitment to combatting homelessness and creating or augmenting a
22 continuum of shelter and service options for those experiencing homelessness; and

23 WHEREAS, Proposition C (2018) (Gross Receipts Tax for Homelessness Services)
24 ("Prop C"), passed by San Francisco voters in November 2018, created the Homelessness
25 Gross Receipts Tax to fund the Our City, Our Home ("OCOH") program, in order to expand

1 and be complementary to existing funding and strategic efforts to prevent and end
2 homelessness for San Francisco residents; and

3 WHEREAS, On May 10, 2019, the Mayor approved Ordinance No. 82-19, creating the
4 “Safe Overnight Parking Pilot Program” to provide eligible people experiencing homelessness
5 residing in their vehicles a place to park and sleep in their vehicles overnight, case
6 management and other services; and

7 WHEREAS, The City opened the Vehicle Triage Center Pilot Program (“Pilot Program”)
8 as a temporary use of the property located at 2340 San Jose Avenue (“Balboa Upper Yard”)
9 in November 2019 that served a total of 75 individuals during the first year of operations and
10 was closed in March 2021 to allow for the commencement of construction of a 100%
11 affordable housing project at Balboa Upper Yard; and

12 WHEREAS, The Pilot Program at Balboa Upper Yard was proven as an effective
13 program for resolving vehicle encampments in the community; and

14 WHEREAS, In October 2021, Resolution No. 479-21 was approved by the Mayor and
15 the Board of Supervisors and authorized the city to negotiate and enter into a sublease
16 agreement for 312,000 square feet of property owned by the California State Lands
17 Commission and leased to the California Department of Parks and Recreation, for the City’s
18 use as a the Bayview Vehicle Triage Center (“Program”) at Candlestick Point State Recreation
19 Area (“CPSRA”) for an initial term of two years, with rent to be paid through in-kind public
20 services; and

21 WHEREAS, The OCOH Oversight Committee recommended in its 2020-2023
22 Investment Plan that the City use Prop C funds to prioritize investments into a range of
23 different models for sheltering and supporting people experiencing homelessness, tailored to
24 the needs of different communities of people experiencing homelessness, including funding for
25 safe parking programs; and

1 WHEREAS, According to the 2022 Point-in-Time Homeless Count administered
2 by HSH, there were approximately 7,754 people experiencing homelessness in San
3 Francisco, 5,180 of which were unsheltered with 24% of those sleeping in vehicles; and

4 WHEREAS, According to the Tent, Structure and Vehicle Count conducted by the City
5 in July 2023, there were 1,058 inhabited vehicles in San Francisco, 507 or 48% of which were
6 located in District 10; and

7 WHEREAS, Without a safe alternative location for unhoused people living in their
8 vehicles to stay, the City and the State Parks are limited in their ability to resolve existing
9 vehicle encampments in the area; and

10 WHEREAS, In 2021, the City identified an approximately 312,000 square foot parking
11 lot (commonly known as the “Boat Launch Parking Lot”) within the CPSRA, Assessor’s Parcel
12 Block No. 4886, Lot No. 09 (the “Property”), as an optimal site for unhoused people residing in
13 their vehicles to safely store or stay in their vehicles while accessing a variety of services and
14 resources to support a permanent exit from homelessness (“Vehicle Triage Center”) to
15 resolve the vehicle encampment in the vicinity of the CPSRA; and

16 WHEREAS, The identified Property, the Boat Launch Parking Lot, was recommended
17 by community stakeholders because it has been closed for many years and would not impact
18 parking or recreational use of CPSRA; and

19 WHEREAS, The Property is relatively private and remote and does not interfere with
20 the operations or recreational use of the park ; and

21 WHEREAS, On October 19, 2021, the Board of Supervisors adopted Resolution No.
22 479-21 authorizing the City to enter into a sublease (“Sublease”) with the California State
23 Lands for the creation of a Vehicle Triage Center at the Property; and

24 WHEREAS, The Sublease has a term of two years and terminates on January 12,
25 2024; and

1 WHEREAS, The State Lands Committee approved the Sublease on October 21, 2021,
2 and will be required to approve the new sublease following approval of this Resolution by the
3 Board of Supervisors; and

4 WHEREAS, As part of the terms of the Sublease, HSH: (i) installed a perimeter fence
5 around the Program, solar lighting, guard shack, mobile trailers, potable water bibs, and porta-
6 potties as needed; (ii) repainted the adjacent existing public restrooms; and (iii) proposes to
7 repair and improve CPSRA water mains and sewer lines, as necessary, for the use of the
8 Property as a Vehicle Triage Center; and

9 WHEREAS, The Program opened in January 2022, and provided critical resources to
10 unhoused people residing in the vehicle encampments in the vicinity of CPSRA and other
11 recreational and passenger vehicles in the Bayview, providing a safe place to stay in their
12 vehicles while accessing services and connecting to resources within the Homelessness
13 Response System to support a permanent exit out of homelessness; and

14 WHEREAS, The Program has served a total of 113 unique households since it opened;
15 and

16 WHEREAS, On April 26, 2022, the Board of Supervisors adopted Resolution No. 146-
17 22 that authorized HSH to execute a Standard Agreement with the California Department of
18 Housing and Community Development and accept and expend \$5,600,000 of 2021-22
19 California Budget Act Funds to support capital expenditures related to the Program; and

20 WHEREAS, HSH continue to participate in a community working group with neighbors,
21 non-profit operators of the site, and appropriate city departments that meets regularly to
22 address any community concerns related to the Program; and

23 WHEREAS, HSH desires to continues to operate the Program at the Property for
24 another two-year term to continue to provide critical resources to people experiencing
25 homelessness and residing in vehicles in the area; and

1 WHEREAS, The FY2023-25 HSH budget includes funding to maintain critical shelter
2 resources, including the continued operations of the Program with an expanded capacity if the
3 proposed, new sublease is approved; and

4 WHEREAS, The Real Estate Division on behalf of HSH, in consultation with the Office
5 of the City Attorney, has negotiated a new sublease that is similar to the existing Sublease, a
6 copy of which is on file with the Clerk of the Board of Supervisors in File No. _____; setting
7 forth the terms on which the State will allow the continuation of the Vehicle Triage Center on a
8 portion of the CPSRA, in addition to the upgrade and repair of the existing restroom facility
9 near the Property, and upgrade and repair of existing water and sewer pipelines for use at the
10 Property; and

11 WHEREAS, The term of the proposed new sublease shall be for two years,
12 commencing on or about January 13, 2024, or upon approval by the State Lands
13 Commission; and

14 WHEREAS, Base rent shall be \$312,000 per year, with no annual adjustment as
15 determined by the Director of Property to be fair market value; and

16 WHEREAS, State Parks supports the new sublease of the Property to the City for
17 continued use as the Bayview Vehicle Triage Center; and

18 WHEREAS, Under Administrative Code Section 23.27, since the consideration payable
19 by the City is less than \$45 per square foot per year, an independent fair market rental
20 appraisal is not required for approval of the new sublease; and

21 WHEREAS, The City shall continue to pay for utility and services (janitorial, 24/7
22 staffing) at the Property; and

23 WHEREAS, On September 6, 2023, the Environmental Planning Division of the
24 Planning Department determined that the actions contemplated in this resolution are not
25 subject to the California Environmental Quality Act, Public Resources Code, Section 21000 et

1 seq. ("CEQA"), pursuant to California law set forth in Assembly Bill 101, California
2 Government Code, Sections 65660 – 65668 (AB 101) (the "CEQA Determination"), a copy of
3 which is on file with the Clerk of the Board of Supervisors in File No. _____ and is
4 incorporated herein by reference; and

5 WHEREAS, On September 6, 2023, the Planning Department found the actions
6 contemplated in this resolution are consistent, on balance, with the General Plan and the eight
7 priority policies in Planning Code, Section 101.1 (the "General Plan Referral"), and a copy of
8 the General Plan Referral is on file with the Clerk of the Board of Supervisors in File No.
9 _____ and is incorporated herein by reference; now, therefore, be it

10 RESOLVED, That in accordance with the recommendation of the Executive Director of
11 HSH and the Director of Property, the Board of Supervisors authorizes the Director of
12 Property, in consultation with the Office of City Attorney and HSH, to renew the Sublease for
13 the Property as set forth in the new sublease for the Property on file; and, be it

14 FURTHER RESOLVED, The yearly base rent for the new sublease term shall be
15 \$312,000, exclusive of utilities and services which are the City's responsibility; and, be it

16 FURTHER RESOLVED, The new sublease form will be generally consistent with the
17 Sublease that was previously negotiated and accepted by the City as tenant, and shall include
18 contracting requirements set forth in the City's Administrative Code, subject to any
19 exemptions or waivers applicable to the State; and, be it

20 FURTHER RESOLVED, The Board of Supervisors authorizes the payment of
21 administrative fees, estimated to be no more than \$25,000 to the State of California
22 Department of Parks and Recreation, and other State departments for review and approval of
23 the new sublease and plans for the proposed improvements to the Property; and, be it

1 FURTHER RESOLVED, The Board of Supervisors finds that the new sublease and
2 proposed continued use of the Property as a Vehicle Triage Center serves a public purpose
3 for the benefit of the State, City and District; and, be it

4 FURTHER RESOLVED, The Board of Supervisors approves the terms as set forth in
5 the new sublease, and authorizes the Director of Property to take all actions, on behalf of the
6 City, to enter into a new sublease consistent with the Term Sheet, and to make any
7 amendments or modifications to the new sublease that the Director of Property determines, in
8 consultation with the City Attorney, are in the best interests of the City, do not materially
9 increase the obligations or liabilities of the City, and are necessary or advisable to complete
10 the transaction and effectuate the purposes and intent of this resolution and are in compliance
11 with all applicable laws, including the City Charter; and, be it

12 FURTHER RESOLVED, The Board of Supervisors authorizes HSH and the
13 Department of Public Works to make improvements to the Property as described in the new
14 sublease as part of the new sublease transaction; and, be it

15 FURTHER RESOLVED, That the new sublease will include a city indemnification of the
16 State Lands Commission and State Parks, and an agreement to defend the State Lands
17 Commission and State Parks against any and all claims, costs and expenses, including,
18 without limitation, reasonable attorney's fees incurred as a result of the City's use of the
19 Property, any default by the City in the performance or any of its obligations under the new
20 sublease, or any acts or omissions of the City or its agents in, on, or about the Property or the
21 larger parcel of CPSRA on which the Property is located, including those claims ,costs and
22 expenses incurred as a result of the negligence or willful misconduct of Landlord and State
23 Lands, State Parks, or their agents; and, be it

24 FURTHER RESOLVED, That any action heretofore taken by any City employee or
25 official with respect to the new sublease is hereby approved, confirmed and ratified; and, be it

1 FURTHER RESOLVED, That the Board of Supervisors adopts the Planning
2 Department's CEQA Determination and findings in the General Plan Referral as its own,
3 incorporates them into this Resolution, and affirms that the actions in this resolution are
4 consistent, on balance, with the General Plan and with Planning code, Section101.1(b) for the
5 reasons set forth in the General Plan Referral; and, be it

6 FURTHER RESOLVED, That within thirty (30) days following the execution of the new
7 sublease, the Director of Property shall provide a copy of the new sublease to the Clerk of the
8 Board to include into Board File No. _____.
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/s/
Budget and Analysis Division Director
on behalf of Ben Rosenfield, Controller

/s/
Andrico Q. Penick, Director of Property
Real Estate Division

Mayor Breed
BOARD OF SUPERVISORS