

1 [Real Property Lease Amendment - Raul and Denise Arriaza and Olson Trust - 1305 and
2 1309 Evans Avenue - \$470,544 Annual Base Rent]

3 **Resolution authorizing and approving an Amendment to the real property lease of**
4 **approximately 12,690 square feet located at 1305 and 1309 Evans Avenue including 13**
5 **parking stalls, with Raul and Denise Arriaza, husband and wife, as to an undivided 50%**
6 **interest; and Linda Lee Olson and Carl Edwards Olson, as Trustees of The Olson**
7 **Family Trust dated October 16, 2014, as to an undivided 50% interest as Landlord, for**
8 **an extended approximately five-year term effective upon approval of this Resolution,**
9 **through June 13, 2028, at the fixed monthly base rent of \$39,212 for a total annual base**
10 **rent of \$470,544; and authorizing the Director of Property to enter into amendments or**
11 **modifications to the Lease that do not materially increase the obligations or liabilities**
12 **to the City and are necessary to effectuate the purposes of the Amendment or this**
13 **Resolution.**

14
15 WHEREAS, The Department of Public Health (“DPH”) currently operates the
16 Children’s System of Care Program and Family Mosaic Project at 1305 & 1309 Evans
17 Avenue (“Property”), providing valuable services to the community since 2002 under that
18 certain Office Lease, dated, for reference purposes only, December 12, 2017 (the “Lease”),
19 the Lease is on file with the Clerk of the Board of Supervisors in File No. 180377; and

20 WHEREAS, The initial term of the Lease expired on June 13, 2023, and is currently on
21 a month to month holdover at the same Lease rental rate of \$456,840 or \$36 per square foot
22 with Landlord provided utilities and janitorial services; and

23 WHEREAS, The Real Estate Division (“RED”), on behalf of DPH, negotiated an
24 Amendment of the Lease, which commences after approval by the Board of Supervisors and
25 Mayor, and if approved, terminates on June 13, 2028, at an annual base rent \$470,544 or

1 \$37.08 per square foot, a three percent increase from the current Lease base rental rate (the
2 “Amendment”); and

3 WHEREAS, The proposed Amendment is on file with the Clerk of the Board of
4 Supervisors in File No. 240289; and

5 WHEREAS, DPH delivers three programs from their Children and Youth System of
6 Care at the Property: 1) LEGACY (Lifting and Empowering Generations of Adults, Children,
7 and Youth) a peer-based, family engagement agency, 2) The Parent Training Institute (PTI) a
8 specialized program overseeing the training of local nonprofit and civil service providers to
9 deliver free, easily accessible, evidence-based parenting interventions to caregivers and
10 parents in San Francisco, and 3) Family Mosaic Project (FMP) partnering with families and
11 communities in San Francisco to promote permanency and stabilization for youth at risk of
12 out-of-home placement; and

13 WHEREAS, DPH seeks to continue operating these vital programs at this central
14 community serving location; and

15 WHEREAS, The Director of Property has determined, in accordance with
16 Administrative Code, Section 23.27, that the Lease base rent rate is at or below Fair Market
17 Value; now, therefore, be it

18 RESOLVED, That upon approval by the Board of Supervisors and Mayor, in their sole
19 discretion based upon the terms and conditions herein, the Director of Property is hereby
20 authorized to take all actions on behalf of the City and County of San Francisco, as Tenant, to
21 enter into the Amendment extending the lease term through June 13, 2028; and, be it

22 FURTHER RESOLVED, That the yearly rent for the extended term, commencing upon
23 the complete execution of the Amendment, shall be \$470,544 (\$37.08 per square foot); and,
24 be it

25

1 FURTHER RESOLVED, The Board of Supervisors approves the Amendment in
2 substantially the form in the Board’s File and authorizes the Director of Property to take all
3 actions, on behalf of the City to enter into any additions, amendments or other modifications
4 (including without limitation, the exhibits) to the Amendment that the Director of Property
5 determines, in consultation with DPH and the City Attorney, are in the best interests of the
6 City, do not materially increase the obligations or liabilities of the City, and are necessary or
7 advisable to complete the transaction and effectuate the purpose and intent of this Resolution
8 and are in compliance with all applicable laws, including City’s Charter; and, be it

9 FURTHER RESOLVED, That any actions taken by the Director of Property and other
10 officers of the City with respect to the Amendment are hereby approved, confirmed and
11 ratified by this Board of Supervisors; and, be it

12 FURTHER RESOLVED, That within thirty (30) days of the Amendment being fully
13 executed by all parties, RED shall provide the fully executed Lease to the Clerk of the Board
14 for inclusion into the official file.

1 Funds Available for
2 Fiscal Year 2023-2024 (assuming Amendment enactment on March 1, 2024): \$156,848

3 Authority ID: 1000 Operations
4 Fund ID: 1000 GF – Account Control
5 Department ID: 251962 HBH Mental Health Children
6 Project ID: 10001794 Family Mosaic
7 Account ID: 530000 Rents Leases
8 Activity ID: 01 Child Admin

7 /s/
8 _____

9 Budget and Analysis Division Director
10 on behalf of Greg Wagner, Controller

11
12 RECOMMENDED:

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14
15 /s/ _____
16 Andrico Q. Penick
17 Director of Property

18 /s/ _____
19 Grant Colfax, MD
20 Director of Health
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