

1 [Real Property Lease Amendment - Evans Investment Partners, LLC - 750 and 752 Vallejo
2 Street - \$120,792 Annual Base Rent - Estimated \$267,382 Tenant Improvement Cost]

3 **Resolution approving and authorizing the Director of Property, on behalf of the Police**
4 **Department, to amend the lease of real property located at 750 and 752 Vallejo Street,**
5 **with Evans Investment Partners, LLC, at a base rent of \$120,792 per year with 3%**
6 **annual increases, with tenant improvements for the City's lawful occupancy of the**
7 **premises, the cost of which shall not exceed \$267,382 and extending the term of the**
8 **lease for five years, from August 15, 2022, for a total term of August 15, 2017, through**
9 **August, 15, 2027, plus two five-year options to extend; and authorizing the Director of**
10 **Property to execute documents, make certain modifications and take certain actions in**
11 **furtherance of the lease amendment, the lease and this Resolution, as defined herein.**
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13 WHEREAS, The City and County of San Francisco ("City") originally entered into a
14 lease dated May 1, 2017 (the "Original Lease"), with Evans Investment Partners, LLC
15 ("Landlord") of approximately 750 square feet of space (the "Original Premises") to provide
16 office space for the investigative unit of Central Station; and

17 WHEREAS, The San Francisco Police Department ("SFPD") desires to expand the
18 Original Premises to provide sufficient office space for personnel who are temporarily located
19 in the squad room at Central Station and to provide a community room for the use of Central
20 Station; and

21 WHEREAS, The Original Lease will expire on August 15, 2022, and the Real Estate
22 Division ("RED"), in consultation with SFPD and the Office of the City Attorney, negotiated an
23 amendment to the Original Lease (the "First Amendment") to among other things, extend the
24 term of the Original Lease, expand the Original Premises, and add additional options to
25 extend the term of the Original Lease; a copy of the Original Lease and the proposed First

1 Amendment (collectively, the "Lease") is on file with the Clerk of the Board in File No. 220554;
2 and

3 WHEREAS, The First Amendment extends the term of the Original Lease until August
4 15, 2027, and grants the City two options to further extend the term for five years each at 95%
5 of fair market rental value (the "Extension Options"); and

6 WHEREAS, Base rent under the Lease will be \$120,792 per year, or \$10,066 per
7 month (\$47.00 per sq. ft.), increasing each year by the San Francisco-Oakland San Jose CPI
8 index over the prior twelve month period, at a rate no lower than three (3%) and no higher
9 than five (5%) percent; and

10 WHEREAS, All other terms and conditions of the Original Lease will remain in full force
11 and effect, including, among other things, City's obligation to pay for its utility usage; and

12 WHEREAS, City requires tenant improvements for the City's lawful occupancy of the
13 Premises ("Tenant Improvements"), the cost of which shall not exceed \$267,382 ("Tenant
14 Improvement Budget"); the Tenant Improvement Budget shall be funded by: (i) Landlord'
15 contribution of \$25,800 at no cost to City, and (ii) City paying the remainder of the cost to
16 Landlord, up to a maximum expense of \$241,582; and

17 WHEREAS, The Director of Property has determined that rent payable under the
18 Lease is at or below the fair market rental value; now therefore, be it

19 RESOLVED, That in accordance with the recommendation of the Chief of Police, the
20 Director of Property is authorized to take all actions on behalf of the City to execute the First
21 Amendment; and, be it

22 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
23 Property to enter into any extensions, amendments or modifications to the Lease (including
24 without limitation, the exhibits) that the Director of Property determines, in consultation with
25 the City Attorney, are in the best interest of the City, do not increase the rent or otherwise

1 materially increase the obligations or liabilities of the City, are necessary or advisable to
2 effectuate the purposes of the Lease or this Resolution, and are in compliance with all
3 applicable laws, including City’s Charter; and, be it

4 FURTHER RESOLVED, That all actions heretofore taken by the officers of the City
5 with respect to the Lease are hereby approved, confirmed and ratified; and, be it

6 FURTHER RESOLVED, That within thirty (30) days of the First Amendment being fully
7 executed by all parties, RED shall provide the final First Amendment to the Clerk of the Board
8 for inclusion into the official file.

9 Available: \$252,365.33

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Fund ID:	10010
Department ID:	232086
Project ID:	10030970
Authority ID:	11477
Account ID:	567000
Activity ID:	2220

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15 /s/
16 Michelle Allersma, Budget and Analysis
17 Division Director on behalf of
Ben Rosenfield, Controller

18 Funding for Fiscal Year 2021/2022 is
19 subject to the enactment of the Annual
20 Appropriation Ordinance for Fiscal Year
21 2021/2022
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1 /s/
2 Police Department
3 Chief of Police

4 /s/
5 Real Estate Division
6 Director of Property

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