

1 [Real Property Lease - Retroactive - APA Family Support Services - 1099 Sunnydale Avenue
2 - \$52,533.36 Initial Yearly Base Rent]

3 **Resolution retroactively approving and authorizing the Director of Property to enter**
4 **into a real property lease with APA Family Support Services, a California nonprofit**
5 **public benefit corporation for approximately 3,267 square feet of The Village**
6 **Community Facility located at 1099 Sunnydale Avenue, for an initial term of five years**
7 **with two five-year options to extend, from December 1, 2023, through November 30,**
8 **2028, at an initial rent of \$52,533.36 per year (\$4,377.78 per month) with 3% annual**
9 **increases thereafter; a finding that competitive bidding procedures required under San**
10 **Francisco Administrative Code, Chapter 23, Section 23.33 are impractical or**
11 **impossible; a finding that the Lease furthers a proper public purpose sufficient to meet**
12 **Section 23.30 market value requirements; and authorizing the Director of Property to**
13 **enter into any additions, amendments, or other modifications to the Lease that do not**
14 **materially increase the obligations or liabilities of the City to effectuate the purposes of**
15 **this Resolution.**

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17 WHEREAS, The City and County of San Francisco (“City”) owns the Village
18 Community Facility located at 1099 Sunnydale Avenue, which is under the jurisdiction of the
19 Real Estate Division (“RED”); and

20 WHEREAS, Over the last 11 years, APA Family Support Services (“Tenant”), under the
21 guidance of the Department of Public Health, Health Services Agency, of the City and County
22 of San Francisco (“City”), has been and currently provides supportive programming including
23 family counseling, enhanced visitation, case management, and free food distribution to an
24 estimated 100 children, parents and elders of the community; and

25 WHEREAS, Tenant’s current lease is on holdover since 2022; and

1 WHEREAS, Tenant commenced using, occupying and paying rent for additional
2 square feet on or about December 1, 2023; and

3 WHEREAS, The City, including Human Services Agency (HSA), seeks to have the
4 Tenant’s programming continue in the community by entering into the proposed lease with the
5 Tenant for the Community Facility, for a five-year term (the “Term”) from December 1, 2023,
6 through November 30, 2028, a copy of which is on file with the Clerk of the Board of
7 Supervisors in File No. 240578 (the “Lease”); and

8 WHEREAS, The Lease provides for an initial monthly base rent of \$4,377.78 for a total
9 annual base rent of \$52,533.36 (\$16.08 per square foot); and

10 WHEREAS, The City is responsible for monthly utilities, including custodial services in
11 the approximate amount of \$0.47 per square foot or \$1,536 monthly; and

12 WHEREAS, The initial base rent will increase annually by three percent during the
13 Term; and

14 WHEREAS, Due to the Tenant’s long-term occupancy and use of the Community
15 Facility and the public benefit it provides, competitive bidding procedures were impractical;
16 and

17 WHEREAS, The Director of Property determined the proposed rent payable under the
18 Lease to be below fair market rental value and therefore requires a Board of Supervisors
19 finding that the Lease furthers a proper public purpose sufficient to meet the requirements of
20 San Francisco Administrator Code, Section 23.30; now, therefore, be it

21 RESOLVED, That in accordance with the recommendations of HSA and the Director of
22 of Property after consultation with the City Attorney, the Board of Supervisors approves the
23 Lease in substantially the form presented to the Board, and authorizes the Director of
24 Property to take all actions necessary to execute the Lease and any other documents that are
25 necessary or advisable to effectuate the purpose of this Resolution; and, be it

1 FURTHER RESOLVED, That the Leases for an initial term of five years with two five-
2 year options to extend, from December 1, 2023, through November 30, 2028; and, be it

3 FURTHER RESOLVED, That the initial base rent rate shall be \$52,533.36 per year, or
4 \$4,377.78 per month, with an annual three percent adjustment each subsequent year of the
5 Term; and, be it

6 FURTHER RESOLVED, That the Board of Supervisors confirms that the below market
7 rental rate of the Lease furthers a proper public purpose sufficient to meet the requirements of
8 San Francisco Administrative Code, Sections 23.30 and 23.33; and, be it

9 FURTHER RESOLVED, That the Board of Supervisors finds that competitive bidding
10 procedures for award of the Lease were impractical or impossible due to Tenant's current
11 possession and occupancy of the space and the public benefit provided by Tenant; and, be it

12 FURTHER RESOLVED, That all actions taken by any City employee or official with
13 respect to entering into this Lease are hereby approved, confirmed, and ratified; and, be it

14 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
15 Property to take any actions in furtherance of entering into, amending, or modifying the Lease,
16 if said action is, determined by the Director of Property, in consultation with the City Attorney,
17 are in the best interest of the City, do not materially increase the obligations or liabilities of the
18 City, do not materially decrease the benefits to the City, or are necessary or advisable to
19 effectuate the purposes of this Resolution, and are in compliance with all applicable laws; and,
20 be it

21 FURTHER RESOLVED, That within 30 days of the Lease being fully executed, the
22 Director of Property shall provide a final copy to the Clerk of the Board for inclusion in the
23 Board's file.

1 RECOMMENDED:

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3 /s/
4 Andrico Penick
5 Director of Property

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