



Edwin M. Lee, Mayor  
Naomi M. Kelly, City Administrator



John Updike  
Director of Real Estate

July 8, 2016

Through Naomi Kelly,  
City Administrator

**San Francisco Public Library**  
**750 Brannan St Lease**

Honorable Board of Supervisors  
City and County of San Francisco  
City Hall, Room 244  
1 Carlton B. Goodlett Place  
San Francisco, CA 94102

Dear Board Members:

Attached for your consideration is a Resolution authorizing a new lease for use by the San Francisco Public Library (Library) and a sublease for a portion of the space to the Friends & Foundation of the San Francisco Public Library (FFOL or Friends) at 750 Brannan Street with 750 Brannan Street Props, LLC (Landlord) along with a letter request to authorize the release of funds from Budget and Finance Reserve to fund the lease rent and improvements.

Under the proposed Resolution, the San Francisco Public Library (Library) would consolidate several library needs into one conveniently located facility. The consolidated functions would include:

- The City Archives
- Community Redistribution
- Mobile Outreach (Bookmobiles)
- A neighborhood book donation drop off and bookstore

#### City Archives

The Library is the official home for the Archives of the City and County of San Francisco. The Library collects, preserves and provides public access to the historical records of most city departments for permanent retention, safekeeping, and public use. These are large collections that contain and reflect the lives of the citizens of San Francisco, as well as documenting the politics and government of San Francisco over the past 170 years. The materials in the archives are unique. The oldest records go back to the days of the Alcaldes in the 1840s, and include property records and hand drawn homestead maps for early neighborhoods and developments in the city, including a number of early materials that were not destroyed in the 1906 earthquake and fire.

The archive also contains over 2 million photographs from a variety of sources; some of the most frequently used are the thousands of photos that document the construction of city property, including Hetch Hetchy, from the Department of Public Works. People come from San Francisco, as well as from throughout the country and the world, to use our city archives for personal and research projects, as well as for films, books, and websites. In addition, the Archive is the designated repository for the papers of the City's mayors and hold the papers of Mayors Newsom, Jordan, Brown, Agnos, Alioto, and Christopher, among others.

Library staff archivists organize each collection and the reading room is open seven days a week in the San Francisco History Center of the Main Library for patrons to access City Archives resources.

Currently, Library staff retrieves materials from Brooks Hall several times a day. Brooks Hall is inadequate for preserving these collections given the limited temperature and humidity control. The Brannan property combines good accessibility with close proximity to the Main Library and archival storage space more conducive to long term preservation.

### **Community Redistribution Program**

The Community Redistribution Program plays an important role in the life cycle of books in the San Francisco Public Library's collection. As titles are carefully de-selected to allow room for new material, the Library strives to keep that material out of landfills by partnering with schools, nonprofits, community based organizations and other agencies who will use them for the public good. The Library's Redistribution Program is a model nationally for repurposing deaccessioned collections and a success story for getting the books out to community-based and non-profit organizations both locally and abroad.

Currently the Redistribution Program is housed in Brooks Hall. Due to the challenges in using Brooks Hall, the area has very limited staffed hours. In the past fiscal year, nearly 75,000 books were either picked up or shipped to various public benefit organizations both locally and abroad. However, many more books ended up being recycled. According to SFPL, under the proposed lease, shared space with other library functions will allow for increased hours for nonprofit agencies to access the collection which will increase the number of public benefit agencies we work with and accelerate the volume of this activity to get books in the hands of people without access to high quality reading materials. This will not only increase the direct benefit to the community, but also improve the Library's overall environmental impact by reducing the number of books that need to be recycled.

### **Mobile Outreach Services**

The Library's Mobile Outreach Services (MOS) unit offers a variety of library services beyond the 28 library locations. The aim of the unit is to connect with San Francisco residents where they work, play, create, learn, and live regardless of physical, economic, social, geographic, or other barriers. The MOS bookmobiles visit an average of 93 stops and serve an average of 2,243

patrons monthly. The staff deliver a wide variety of library materials in multiple formats and languages, as well as promoting a menu of library programs.

The unit currently has 3 distinctive service lines and 4 vehicles:

- The Green Bookmobile is an environmentally friendly bookmobile that serves the Treasure Island community and acts as an outreach tool at special events
- The Early Literacy Mobile serves children 0-5 years and their caregivers, appearing at a child care center and at parks
- The Library On Wheels is a wheelchair-accessible bookmobile providing services for seniors and those with mobility issues at over 30 senior centers & residences
- The Techmobile is a seven-seat mobile classroom equipped with high-tech devices that brings digital literacy to patrons of all ages

The bookmobiles are currently parked at two separate locations: there are two parking spots at both the Main Library's underground garage and at the parking lot located at Pier 19 ½. MOS staff are housed in two separate floors at the Main Library: the drivers/circulation team in the lower level and the librarians with the Program Manager on the 3<sup>rd</sup> floor.

At the proposed new location, the entire unit will be in the same room allowing better intra-unit communication. The Library also reports that the consolidation of the bookmobile locations will minimize the non-productive travel time to Pier 19 1/2.

### **Friends of the Library**

The Friends & Foundation of the San Francisco Public Library (FFOL or Friends) founded in 1961 plays a critically important role in fiscally supporting, advocating and fundraising for the San Francisco Public Library. FFOL is a member-supported, nonprofit that advocates, fundraises, and provides financial support in the amount of \$720,000 annually for the Library.

Friends raises money and raises its voice to ensure a first-class public library for San Francisco. Friends advocated for the Library in 1988 with Proposition A, a bond measure to replace the aging former Main Library and continued its advocacy efforts by championing the Library Preservation Fund, or Proposition E, in 1994 and in renewing the Library Preservation Fund in 2007 with Proposition D. Friends led the campaign for Proposition A, a \$105.9 million Branch Library Improvement Bond, passed in November 2000 to build and refurbish 24 neighborhood branch libraries city-wide resulting in the building of 8 new library buildings in San Francisco and Friends spearheaded a neighborhood library campaign, engaging communities and bringing in more than \$9.8 million in funding for furniture, fixtures and equipment for the neighborhood branches which could not be paid by the bond funding.

Friends, a 501c3 organization, proposes to operate a small public bookstore operation for the sale of donated books, of which the income from these sales benefits the Library, to provide space for a tax deductible book donation drop off for the public and will provide space for up to 12 members of Friends of the San Francisco Public Library's staff. Those staff are currently located

at 710 Van Ness Ave. where their current rent is expected to dramatically increase in December of 2016, and thus they are potentially negotiating a termination of their lease and a sublease at 750 Brannan St, if the propose lease is approved by the Board of Supervisors. The proposed sublease will allow them to remain in San Francisco at less rent than the Friends would likely pay in December 2016 and add the abovementioned bookstore/book drop off.

### Proposed Lease terms

The proposed term is approximately ten (10) years commencing upon substantial completion of the tenant improvements (expected to be about January 1, 2017) and expiring on December 31, 2026 with three (3) additional options to extend the term for five (5) additional years at 95% of the then fair market rent, subject to Board approval. The City also has a First Right of Negotiation should the Landlord decide to sell the property.

Under the proposed lease, the City would pay \$78,562.25 per month (or approximately \$39.00 psf annually or \$3.25 per sq. ft monthly on the building area only). The base rent increases annually by three percent (3%) and the City would be responsible for utilities, janitorial, maintenance, and security typical of a retail use lease. These expenses are estimated to add \$2,518.02 per month (or approximately \$1.25 psf annually).

Under the proposed Lease, the Landlord provides a tenant improvement allowance of \$241,730 and the City pays for improvements over the allowance - up to a maximum City cost of \$755,970. Improvement design including electrical and mechanical have not yet been designed or costed but based on other recent City improvements, staff is confident that the cost will be at or less than the maximum allowed.

Under a possible Sublease to the Friends & Foundation of the San Francisco Public Library, the Friends would occupy approximately 2,833 sq. ft. (approximately 11.7% of the total sq. ft.) and would pay its prorata share (11.7%) of the base rent and expenses.

The San Francisco Public Library recommends approval of the proposed lease.

If you have any questions regarding this matter, please contact Charlie Dunn of our office at 554-9861.

Respectfully



John Updike  
Director of Real Estate

cc: Luis Herrera, City Librarian  
Maureen Singleton, Library CFO