[Lease of City Property - Friends and Foundation of the San Francisco Public Library - Portion of the Main Public Library - Initial Annual Base Rent of \$15,555.84 - Subject to Rent Abatement With Supplemental Funding]

Resolution authorizing and approving the lease of 387 square feet of space at the Main Library located at 100 Larkin Street, with The Friends and Foundation of the San Francisco Public Library, a non-profit 501(c)(3), for an initial five-year term at an annual base rent of \$15,555.84 (or the monthly amount of \$1,296.32), with annual CPI increases to base rent and three additional option five-year extension options, effective upon approval of this Resolution; and to authorize the Director of Property to enter into amendments or modifications to the Lease that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the Lease or this Resolution.

WHEREAS, The City and County of San Francisco ("City") owns the Main Public Library located at 100 Larkin Street in San Francisco; and

WHEREAS, The Friends and Foundation of the San Francisco Public Library ("FSFPL") is a non-profit 501(C)(3) corporation devoted to: (i) strengthening, supporting and advocating for a premier public library system in San Francisco; (ii) championing free public access to information, resources and opportunities for all people; (iii) assisting in the development of the San Francisco Public Library, which is a city department currently consisting of the Main Library and 27 branch libraries (the "Library"), bridging the funding gap between what the city provides and the cost of additional programs, resources and services so that the Library may continue to develop into one of the truly fine public libraries in the Nation, meet national library standards as set forth by the American Library Association, and fulfill its literary and educational purpose; (iv) encouraging gifts of rare, expensive and other

goods, properties and materials which the Library would not otherwise be able to secure; and (iv) promoting the public use of the Library and appreciation of its value as a cultural and educational asset to the community and encouraging related activities which will enhance the Library's position in the community; and

WHEREAS, FSFPL provides supplemental funding to the Library, to enhance Library services, programs, materials and capital projects, such as the renovation and rebuilding of 24 neighborhood branch libraries; and

WHEREAS, Since 2002, FSFPL has occupied approximately 387 square feet of the ground floor of the Main Library for operation of a bookstore; and

WHEREAS, On December 16, 2002, the Board of Supervisors approved a five-year "Bookstore Lease", with three five-year options to renew, with FSFPL for the bookstore by adopting Resolution No. 847-02; and

WHEREAS, FFPL have been on holdover pursuant to Section 27.13 of the Lease since December 2022; and

WHEREAS, The City, through its Real Estate Division, with consultation from the City Librarian and the Office of the City Attorney, and FSFPL have negotiated the proposed lease ("Lease"), which provides a base rent of \$15,555.84 per year (\$1,296.32 per month), plus an annual increase based upon the Consumer Price Index; a copy of the Lease is on file with the Clerk of the Board in File No. 240436; and

WHEREAS, The initial term of the Lease shall be for five years, commencing upon approval by the Board of Supervisors and Mayor; and

WHEREAS, Under the proposed Lease, the City grants FSFPL three options to extend the initial term by an additional five years; and

WHEREAS, The price per square foot did not require an appraisal under the Administrative Code, Chapter 23, and the Director of Property determined that the proposed rent was at or below fair market value; and

WHEREAS, The Base Rent is subject to abatement to \$1 per year in the event FSFPL donates, in the previous fiscal year, an amount in excess of \$90,000.00 to the San Francisco Public Library; now, therefore, be it

RESOLVED, In accordance with the recommendation of the Director of Property, City Librarian, and the City Attorney, the Director of Property on behalf of the City, as Landlord, is hereby authorized to take all actions necessary to execute the Lease at for the bookstore at the Main Library located at 100 Larkin Street, in San Francisco, at a base rent of \$15,555.84 per year, with an annual base rent escalation based upon the CPI, for an initial five-year term, plus three five-year options to extend; and, be it

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

FURTHER RESOLVED, That the Lease contains language indemnifying and holding harmless the City from, and agreeing to defend the City against any and all claims, costs and expenses, including, without limitation, reasonable attorney's fees, incurred as a result of Tenant's use of the Premises, any default by the Tenant in the performance of any of its obligations under the Lease or any acts or omissions of Tenant or its agents, in, on or about

the Premises or the property on which the Premises are located, except those claims, costs and expenses incurred exclusively as a result of active gross negligence or willful misconduct of the City or its agents; and, be it

FURTHER RESOVED, Because FSFPL has been operating the bookstore onsite for over two decades and assists the Main Library and its branches financially, offering a range of programs, book sales and other advocacy, educational and community sponsorship, it would be impractical to competitively bid the use of the space to anyone other than FSFPL and approving this Lease with FSFPL is determined to be necessary and promote a public benefit; and, be it

FURTHER RESOLVED, That any action taken by the Director of Property and other officers of the City with respect to the Lease are hereby approved, confirmed and ratified; and, be it

FURTHER RESOLVED, That within thirty (30) days of the agreement being fully executed by all parties, the Director of Real Estate shall provide the agreement to the Clerk of the Board for inclusion into the official file.

Real Estate Division

BOARD OF SUPERVISORS



City and County of San Francisco Tails

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Resolution

File Number: 240436

Date Passed: July 02, 2024

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June 26, 2024 Budget and Finance Committee - RECOMMENDED

July 02, 2024 Board of Supervisors - ADOPTED

Ayes: 9 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen

and Walton

Excused: 1 - Stefani Absent: 1 - Safai

File No. 240436

I hereby certify that the foregoing Resolution was ADOPTED on 7/2/2024 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

London N. Breed Mayor Date Approved