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24 25 [Lease and Revocable License of City Real Property - Retroactive - New Community Leadership Foundation - City Hall - Sales Based Rent]

Resolution retroactively approving and authorizing the Director of Property, on behalf of the Real Estate Division, to execute a Lease for 1,426 square feet for the operation of a café by the New Community Leadership Foundation, dba Café Melange, and a revocable license for 1.360 square feet of adjacent space for patron seating, on the ground level of City Hall for an initial five-year lease term, commencing on March 1, 2024, at 10% of gross sales beginning July 1, 2024, with one option to extend for fiveyears; and authorizing the Director of Property to enter into any additions, amendments, or other modifications to the permit that do not materially increase the obligations or liabilities of the City to effectuate the purposes of this Resolution.

WHEREAS, City Hall has been without a café since the termination of the last lease to a café operator in September, 2020, due to the general shutdown from the pandemic; and

WHEREAS, The employees of the City, staff at City Hall, and the visiting public's desire to have a quality café as an amenity; and

WHEREAS, The Real Estate Division ("RED") conducted a competitive solicitation to identify a qualified café operator based upon specific criteria as set forth in the Request for Qualifications/Proposals, through a panel of stakeholders; and

WHEREAS, New Community Leadership Foundation ("NCLF"), dba Café Melange ("Café Melange") was ranked the highest of all proposals; and

WHEREAS, Café Melange brings together a collective of restaurants, including Tallios, Radio Africa & Kitchen, Gumbo Social and Yvonne's Southern Sweets, with a unified vision

to introduce the rich, eclectic flavors of the African diaspora to City Hall and to shine a spotlight on the talented chefs and restaurateurs from the underserved 3rd Street Bayview corridor; and

WHEREAS, Cafe Melange is operated with the support of the San Francisco Human Rights Commission and Office of Economic and Workforce Development through the Dream Keeper Initiative; and

WHEREAS, RED negotiated a lease for the café space (1,426 square feet) and a revocable license for a seating area (1,360 square feet) for 10% percent of gross sales but no less than a minimum \$200 per month; and

WHEREAS, The Lease and License provide for an initial Term of five years with one five-year option to extend; and

WHEREAS, Café Melange will be responsible for all costs related to tenant improvements but RED will provide staff services for future mechanical, engineering, electrical and plumbing repairs and maintenance; and

WHEREAS, Café Melange will be responsible for their operational costs; and WHEREAS, A copy of the proposed Lease/License is on file with the Clerk of the Board in File No. 240483; and

WHEREAS, Café Melange has been in possession of the space since March 2024 to commence tenant improvements, obtain staffing, and train new staff; and

WHERAS, RED and Café Melange desire to retroactively commence the Lease/License on March 1, 2024, with a four month rent credit; now, therefore, be it

RESOLVED, That in accordance with the Director of Property's recommendation, after consultation with the City Attorney, the Director of Property is authorized to take all actions on behalf of the City and County of San Francisco, as landlord, to execute a lease and license ("Lease and License") with and for Café Melange to operate a café and provide patron

seating, respectively, on the ground level of City Hall, substantially in the form on file with the Clerk of the Board of Supervisors in File No. 240483; and be it

FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of Property to enter into any amendments or modifications to the Lease and License that they determine, in consultation with the City Attorney, are in the best interest of the City, do not materially decrease the benefits to the City, reduce the rent, or increase the obligations or liabilities of the City, or are necessary or advisable to effectuate the purposes of this Resolution, and are in compliance with all applicable laws, including the City Charter; and be it

FURTHER RESOLVED, That within 30 days of the Lease and License being fully-executed by all parties, RED shall provide the agreement to the Clerk of the Board for inclusion into the official file.

RECOMMENDED:

Andrico Q. Penick

ANDRICO Q. PENICK
Real Estate Division
Director of Property



City and County of San Francisco Tails

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

Resolution

File Number: 240483 Date Passed: July 02, 2024

Resolution retroactively approving and authorizing the Director of Property, on behalf of the Real Estate Division, to execute a Lease for 1,426 square feet for the operation of a café by the New Community Leadership Foundation, dba Café Melange, and a revocable license for 1,360 square feet of adjacent space for patron seating, on the ground level of City Hall for an initial five-year lease term, commencing on March 1, 2024, at 10% of gross sales beginning July 1, 2024, with one option to extend for five-years; and authorizing the Director of Property to enter into any additions, amendments, or other modifications to the permit that do not materially increase the obligations or liabilities of the City to effectuate the purposes of this Resolution.

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. 240483

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**