FILE NO. 150373

[Lease Agreement - Glenridge Nursery School - Silver Tree Building - Initial Annual Base Rent of \$26,380.91 and Rent Credits of Up to \$25,000]

Resolution authorizing the General Manager of the Recreation and Park Department to execute a fifteen year lease with Glenridge Nursery School for the Silver Tree Building in Glen Canyon Park for an initial annual base rent of \$26,380.91 and rent credits of up to \$25,000 following completion of roof replacement for the term of June 6, 2015, through June 5, 2030.

WHEREAS, The City and County of San Francisco (City) owns, and the Recreation and Park Department (Department) maintains, real property located in Glen Canyon Park, known as the Silver Tree Building; and

WHEREAS, The Silver Tree Building is accessed by an approximately one-third mile walk through Glen Canyon from the park entrance at the end of Bosworth Street; and

WHEREAS, The Glenridge Nursery School (the "Nursery School"), a parentparticipation, cooperative nursery school, was founded in 1970 and has been located in the Silver Tree Building for 44 years; and

WHEREAS, The Nursery School is dedicated to providing children with a unique childcentered learning program in one of the few natural environments left in San Francisco; and

WHEREAS, The Department's Silver Tree Day Camp (the "Day Camp") has operated in Glen Canyon Park for 75 years and in the Silver Tree Building since 1961; and

WHEREAS, The Nursery School and the Day Camp have shared the Silver Tree Building since 1970, with the Nursery School occupying the building during the school year and the Department's Day Camp occupying the building during the summer, requiring flexible scheduling by the Nursery School to accommodate the Department's schedule; and

Supervisor Wiener BOARD OF SUPERVISORS WHEREAS, The Nursery School and the parent members have been careful caretakers of the building over the years of the school's occupancy, performing weekday clean up of the area surrounding the building, graffiti removal, reporting of problems to the Department, communication and coordination with the Silver Tree program director; and

WHEREAS, The Nursery School and parent members have also contributed multiple improvements and upgrades to the building, including but not limited to upgrading of the kitchen and restroom, interior and exterior painting of the building, repair of the second floor deck and staircase railings; and

WHEREAS, On average the Nursery School performs 200 volunteer hours annually on the care and upkeep of the Silver Tree building; and

WHEREAS, The existing Nursery School lease of the Silver Tree Building is scheduled to expire June 5, 2015; and

WHEREAS, The Nursery School desires to continue operations in the Silver Tree Building to continue to provide children with a learning program in the unique Glen Canyon natural environment; and

WHEREAS, The roof of the Silver Tree Building is in poor condition and requires replacement, with an estimated replacement cost of \$40,000; and

WHEREAS, The Nursery School has conducted a capital campaign and raised \$50,000 for the replacement of the Silver Tree Building roof; and

WHEREAS, Due to the unique relationship between the Nursery School and the Silver Tree Day Camp, the required flexibility in the Nursery School's schedule, the required capital investment for repair of the building's roof, the difficulty in accessing the building via a long walk through Glen Canyon, and neighborhood based activation, it would be very unlikely the Department would find a similarly suitable tenant for the building, and accordingly, competitively bidding a lease of the building is impractical or infeasible; and

Supervisor Wiener BOARD OF SUPERVISORS WHEREAS, Department staff has negotiated a new lease with the Nursery School, a copy of which is on file with the Clerk of the Board of Supervisors under File No. <u>150373</u> (the "Lease"); and

WHEREAS, The Lease provides for an initial annual base rent of \$26,380.91 per year, payable in monthly installments and subject to CPI increases; and

WHEREAS, The Lease requires the Nursery School to continue to share the Silver Tree Building with the Day Camp; and

WHEREAS, The Lease requires the Nursery School to replace the roof within (6) six months of the approval of the Lease and provides that the Nursery School will receive rent credits equal to 50% of the cost of the replacement of the roof, up to a maximum credit of \$25,000, with credits taken at no greater than \$400 per month; and

WHEREAS, In recognition of the long standing relationship between the Nursery School and the Department and the Nursery School's significant investment in the building, term of the proposed Lease is fifteen (15) years; and

WHEREAS, On April 16, 2015, 2015, by Resolution No. 1504-007, which is on file with the Clerk of the Board of Supervisors in File No <u>150373</u>, the Recreation and Park Commission recommended that the Board of Supervisors approve the Lease; and

WHEREAS, The Planning Department has determined that the actions contemplated in this Resolution comply with the California Environmental Quality Act (California Public Resources Code, Sections 21000, et seq.); said determination is on file with the Clerk of the Board of Supervisors in File No. <u>150373</u> and is incorporated herein by reference; the Board affirms this determination; now, therefore, be it

RESOLVED, That in accordance with the recommendation of the Recreation and Park Commission, the Board of Supervisors hereby approves the Lease and authorizes the General Manager to execute the Lease in substantially the form presented to this Board; and, be it

FURTHER RESOLVED, That for the reasons set forth in this resolution, the Board finds that competitively bidding a lease of the building is impractical or infeasible; and, be it

FURTHER RESOLVED, That the Board of Supervisors authorizes the General Manager to enter into any additions, amendments or other modifications to the Lease (including, without limitation, the attached exhibits) that the General Manager determines is in the best interest of the City, do not materially decrease the revenue to the City or otherwise materially increase the obligations or liabilities of the City, and are necessary or advisable to complete the transaction contemplated in the Lease and to effectuate the purpose and intent of this resolution; and, be it

FURTHER RESOLVED, That within thirty (30) days of the Lease being fully executed by all parties, the Recreation and Park Department shall provide the final Lease to the Clerk of the Board for inclusion into the official file.

Supervisor Wiener BOARD OF SUPERVISORS



File Number:

City and County of San Francisco Tails

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

Resolution

Date Passed: May 05, 2015

Resolution authorizing the General Manager of the Recreation and Park Department to execute a fifteen-year lease with Glenridge Nursery School for the Silver Tree Building in Glen Canyon Park for an initial annual base rent of \$26,380.91 and rent credits of up to \$25,000 following completion of roof replacement for the term of June 6, 2015, through June 5, 2030.

April 29, 2015 Budget and Finance Sub-Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

April 29, 2015 Budget and Finance Sub-Committee - RECOMMENDED AS AMENDED

May 05, 2015 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 150373

150373

I hereby certify that the foregoing Resolution was ADOPTED on 5/5/2015 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

Mayo

Date Approved