

1 [Purchase of Real Property - PACIFICA SFO LLC - 624 Laguna Street - \$13,800,000]

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3 **Resolution approving and authorizing the Director of Property to acquire certain real**  
4 **property located at 624 Laguna Street (“Property”); approving and authorizing an**  
5 **Agreement of Purchase and Sale for Real Estate for the acquisition of the Property, for**  
6 **the purchase price of \$13,780,000 plus an estimated \$20,000 for typical closing costs,**  
7 **for a total amount of \$13,800,000 from PACIFICA SFO LLC, a California limited liability**  
8 **company (“Purchase Agreement”); authorizing the Director of Property to execute the**  
9 **Purchase Agreement, make certain modifications, and take certain actions in**  
10 **furtherance of this Resolution and the Purchase Agreement, as defined herein;**  
11 **affirming the Planning Department’s determination under the California Environmental**  
12 **Quality Act; and adopting the Planning Department’s findings that the Purchase**  
13 **Agreement, and the transaction contemplated therein, is consistent with the General**  
14 **Plan, and the eight priority policies of Planning Code, Section 101.1.**

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16 WHEREAS, The Department of Public Health (“DPH”) strives to protect and promote  
17 the health of all San Franciscans by providing a wide range of public health services and  
18 programs; and

19 WHEREAS, DPH has a goal of expanding and preserving a portfolio of residential care  
20 and treatment beds in the City of San Francisco; and

21 WHEREAS, DPH, is seeking to acquire facilities that expand the number of assisted  
22 living beds in San Francisco that are accessible to clients of the City’s public health system;  
23 and

1           WHEREAS, This expansion is a major element of Mental health SF, the City’s strategic  
2 framework for improving the behavioral health system for San Francisco’s most vulnerable  
3 residents; and

4           WHEREAS, The Real Estate Division (“RED”), identified 624 Laguna Street (the  
5 “Property”), a building consisting of approximately 17,770 square feet and licensed as an  
6 assisted living facility with 56 beds (the “Facility”); and

7           WHEREAS, The Property was constructed in 2006 as an assisted living facility,  
8 providing both shared and private bedrooms for residents and both indoor and outdoor  
9 communal space; and

10          WHEREAS, The Facility will serve low-income senior and adult residents who  
11 require support with daily tasks, and;

12          WHEREAS, The Department of Public Works has completed an assessment of the  
13 condition of the building, including a seismic evaluation and an environmental review of the  
14 site and determined the building was suitable for City use without further renovation; and

15          WHEREAS, The City, through DPH and RED, in consultation with the Office of the City  
16 Attorney, has negotiated the Purchase Agreement to acquire the Property from the Seller for  
17 \$13,780,000 (“Purchase Price”), substantially in the form approved by the Director of Property  
18 and the Director of Health and on file with the Clerk of the Board of Supervisors in File  
19 No. 240477, incorporated herein by reference; and

20          WHEREAS, The Purchase Price, plus an estimated \$20,000 for typical closing costs,  
21 are collectively referred to as the “Acquisition Cost”; and

22          WHEREAS, Pursuant to Chapter 23, a third-party independent appraisal and review  
23 appraisal, reviewed and accepted by the Director of Property, has determined the Purchase  
24 Price to be at or below fair market value; and

1           WHEREAS, The Purchase Agreement will not become effective until the Board of  
2 Supervisors and the Mayor approve this Resolution, in their sole and absolute discretion; and

3           WHEREAS, Proposition C (2018) (Gross Receipts Tax for Homelessness Services  
4 (“Prop C”), passed by San Francisco voters in November 2018, created the Homelessness  
5 Gross Receipts Tax to fund the Our City, Our Home Fund and support DPH's expansion of  
6 mental health services; and

7           WHEREAS, DPH anticipates using Prop C funding to purchase the Property; and

8           WHEREAS, The Planning Department has determined that the actions contemplated in  
9 this Resolution comply with the California Environmental Quality Act (“CEQA Determination”)  
10 (California Public Resources Code, Sections 21000 et seq.); the Planning Department has  
11 also determined that the actions contemplated in this Resolution are consistent, on balance,  
12 with the General Plan, and eight priority policies of Planning Code, Section 101.1 (“General  
13 Plan Findings”); a copy of said determination (“Planning Letter”) is on file with the Clerk of the  
14 Board of Supervisors in File No. 240477 and is incorporated herein by reference; the Board  
15 affirms these determinations; now, therefore, be it

16           RESOLVED, That in accordance with the recommendations of the Director of Health  
17 and the Director of Property, in consultation with the City Attorney, the Board of Supervisors  
18 approves the Purchase Agreement in substantially the form presented to the Board, and  
19 authorizes the Director of Property to take all actions necessary or appropriate to acquire the  
20 Property; and, be it

21           FURTHER RESOLVED, That, in accordance with the recommendations of the  
22 Director of Health and the Director of Property, the Board of Supervisors approves the  
23 Director of Health and the Director of Property to take all actions necessary or appropriate  
24 to effectuate the Purchase Agreement and this Resolution; and, be it

1           FURTHER RESOLVED, That the Board of Supervisors approves the Director of  
2 Property in consultation with the Director of Health and the Office of the City Attorney, to  
3 enter into any additions, amendments, or other modifications to the Purchase Agreement  
4 and any other documents or instruments necessary in connection therewith (including but  
5 not limited to the exhibits and ancillary agreements attached to the Purchase Agreement),  
6 that the Director of Property determines are in the best interests of the City, do not  
7 materially decrease the benefits to the City with respect to the Property, do not materially  
8 increase the obligations or liabilities of the City, and are necessary or advisable to complete  
9 the transaction contemplated in the Purchase Agreement, and that effectuate the purpose  
10 and intent of this Resolution, such determination to be conclusively evidenced by the  
11 execution and delivery by the Director of Property of any such additions, amendments, or  
12 other modifications; and, be it

13           FURTHER RESOLVED, The Board of Supervisors affirms the Planning  
14 Department's CEQA Determination and General Plan Findings, for the same reasons as  
15 set forth in the Planning Letter, and hereby incorporates such determinations by reference  
16 as though fully set forth in this Resolution; and, be it

17           FURTHER RESOLVED, That the Director of Property shall provide the Clerk of the  
18 Board of Supervisors with a fully executed copy of the Purchase Agreement within thirty (30)  
19 days (or as soon thereafter as final documents are available) of execution by all parties.  
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Available: \$ 13,800,000

Prop C – Site Acquisition & Capital Imp	
Fund ID	10582
Dept ID	240645
Project ID	10036747
Authority ID	21531
Account ID	506070
Activity ID	0005

\_\_\_\_\_  
/s/  
Michelle Allersma, Budget and Analysis  
Division Director on behalf of  
Greg Wagner, Controller

Funding for Fiscal Year 2024/2025 is  
subject to the enactment of the Annual  
Appropriation Ordinance for Fiscal Year  
2024/2025

RECOMMENDED:

\_\_\_\_\_  
/s/  
Andrico Penick  
Director of Property

RECOMMENDED:

\_\_\_\_\_  
/s/  
Jenny Louie  
Chief Operating Officer  
Department of Public Health



City and County of San Francisco  
Tails  
Resolution

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

File Number: 240477

Date Passed: July 16, 2024

Resolution approving and authorizing the Director of Property to acquire certain real property located at 624 Laguna Street ("Property"); approving and authorizing an Agreement of Purchase and Sale for Real Estate for the acquisition of the Property, for the purchase price of \$13,780,000 plus an estimated \$20,000 for typical closing costs, for a total amount of \$13,800,000 from PACIFICA SFO LLC, a California limited liability company ("Purchase Agreement"); authorizing the Director of Property to execute the Purchase Agreement, make certain modifications, and take certain actions in furtherance of this Resolution and the Purchase Agreement, as defined herein; affirming the Planning Department's determination under the California Environmental Quality Act; and adopting the Planning Department's findings that the Purchase Agreement, and the transaction contemplated therein, is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

June 05, 2024 Budget and Finance Committee - CONTINUED TO CALL OF THE CHAIR

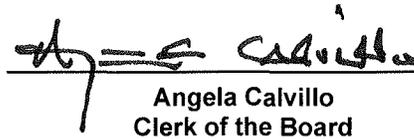
July 10, 2024 Budget and Finance Committee - RECOMMENDED

July 16, 2024 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 240477

I hereby certify that the foregoing Resolution was ADOPTED on 7/16/2024 by the Board of Supervisors of the City and County of San Francisco.

  
Angela Calvillo  
Clerk of the Board

  
London N. Breed  
Mayor

7/26/24  
Date Approved