



DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Lease: Adante Hotel Non-Congregate Shelter

Budget and Finance Committee | April 16, 2025



Overview

- The city has operated **non-congregate shelter** at the **Adante Hotel** since 2020 as part of the city's response to the COVID-19 pandemic.
- The non-congregate shelter program at the Adante Hotel is operated by the non-profit provider **Five Keys Schools and Programs** through a separate grant agreement with HSH.
- In July 2024, the Board of Supervisors approved Amendments to the Booking Agreements for the Adante, Monarch and Cova hotels, extending the terms by **7 months** from August 31, 2024, through March 31, 2025 while the city negotiated leases.
 - The 7 month extension allowed HSH to **maintain critical non-congregate shelter capacity** during lease negotiations.
 - Based on feedback during this hearing, HSH is **winding down** the **Cova Hotel** non-congregate shelter program in **March 2025**.

Proposed Lease: Adante Hotel

	Adante
Landlord	Roshan Investments, LLC
# of Units	93
Address	610 Geary Street
Annual Base Rent	\$1,484,280 (\$15,960 / unit, \$37.22 per sqft)
Lease Term	1 year, with one one-year option to extend
Rent Escalation	3% / yr (if options are exercised)
Final Payment	\$100,000 – tenancy terminated March 31, 2026 \$90,000 – tenancy terminated March 31, 2027

Cost Analysis

- The proposed Leases have a **cost savings** to the City of **~\$2.7 million** compared to the cost of the Booking Agreements.
- Annualized Rates for the proposed **Adante Lease**:

	Adante
Room Rent	\$44
Meals <small>(not included in lease)</small>	\$17
Services & Operations <small>(not included in lease)</small>	\$143
Nightly cost per room	\$204
Annual Cost Savings (compared to Booking Agreement)	\$1,334,356

Community Commitment & Street Conditions

- Street conditions continue to be a challenge citywide, however HSH and non-profit operators of these sites are committed to supporting improved street conditions around these programs.
 - In February, HSH coordinated **site visits** to the Adante with the Mayor's Office, District Supervisors and Community Stakeholders.
 - HSH attends **monthly meetings** with Lower Nob Hill Neighborhood Association and Tenderloin Stakeholders.
- **GLIDE's Community Ambassadors** will support the area around the Adante through a separate grant agreement with HSH.
- In addition to the **Good Neighbor Policy**, Five Keys:
 - Conducts daily **spray-downs** outside of sites
 - Does **Hourly perimeter checks** (garbage, loitering, etc.)
 - **Reports** new encampments and other needs to 311 and 911, with escalation to HSH as needed.

RESTORE PROGRAM: AN INNOVATIVE NEW MODEL TO HELP PEOPLE QUICKLY MOVE FROM THE STREET INTO TREATMENT + A BED

6 elements of RESTORE

New unified street teams and our focus on proactively connecting people to treatment requires:

- Quick, 24/7 way to get someone directly from the street into treatment
- Ability to combine offer of a bed **and** requirement to begin treatment
- Ability to serve people who have historically been resistant or unable to navigate treatment

- 01.** Immediate, 24/7 access to services to get someone off the street
- 02.** Must agree to structured treatment plan to enter program/get a bed
- 03.** Clients receive gold standard MOUD* (buprenorphine or methadone)
- 04.** Clients must meet case managers daily, who will proactive and assertively help progress to longer-term treatment and recovery options
- 05.** NEW: Increased daytime programming with structured outpatient care
- 06.** Discharge planning and connection to / placement in treatment, recovery or next level of care

OUR PHASED PLAN

We are here



Phase 1

RESTORE pilot

- 35 beds in the TL
- Elements 1-4 and 6
- No space for day programming and structured outpatient treatment (element 5)
- Highly effective model to convince people to start treatment

Total: ~35 beds / treatment slots

Phase 2

Scale RESTORE I in Adante

- Scale RESTORE to 73 beds*
- Scale to include full model (include more daytime structured outpatient treatment, element 5)
- Bridge to a new location: propose 1 year lease + 1 year extension

Expand (RESTORE II) to another site outside of the TL

- Non TL neighborhood, site TBD
- Start with 35 beds

Total: ~108 beds / treatment slots

Phase 3

Move RESTORE I from Adante to another nearby location

- ~50-60 beds, full RESTORE model

Continue RESTORE II

- ~35-50 beds (non TL neighborhood)

Launch RESTORE III site

- ~100 beds (non TL neighborhood)

Total: ~200 beds / treatment slots

We will be tracking data / outcomes to refine and make ongoing improvements to the program model



DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Questions?

Thank you!