

City & County of San Francisco
Daniel Lurie, Mayor



Office of the City Administrator
Carmen Chu, City Administrator
Sally Oerth, Director of Real Estate

July 2, 2026

Honorable Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Carlton B. Goodlett Place
San Francisco, CA 94102

RE: Lease for the Department of Homelessness and Supportive Housing TAY Navigation Center at 888 Post Street

Dear Board Members,

Attached for your consideration is a Resolution authorizing the Department of Homelessness and Supportive Housing ("HSH") to enter into a "Lease" between the City and County of San Francisco ("City"), as Landlord, and 3rd Street Youth Center and Clinic ("3rd Street"), as Tenant, for the 2nd and 3rd floors (the "Premises") at the city-owned property located at 888 Post Street (the "Property").

The City acquired the Property and entered into a grant agreement (the "Grant Agreement") with 3rd Street, to create the Lower Polk TAY Navigation Center in February 2021 at the Premises (the "Program"). The Program exclusively serves young adults aged 18 to 27 (Transitional Aged Youth, or "TAY"), providing temporary shelter and support to TAY experiencing homelessness.

3rd Street has independently raised over \$1,000,000.00 in private funds for the construction of "Tenant Improvements" to better serve Program guests. HSH will review and approve all Tenant Improvements to be made by 3rd Street under the new lease.

HSH is in the process of converting the Grant Agreement into a new service contract with 3rd Street (the "Service Contract"). The Service Contract and the Lease contain provisions requiring 3rd Street to remain in good standing under both agreements. Should either agreement terminate, the Tenant Improvements remain to serve TAY, but 3rd Street will no longer run the Program or keep their tenancy.

The Service Contract and the Lease will commence on July 1st for a term of two years. The rent payable under the Lease is \$1 per year. The Property related expenses are currently funded by HSH under the Grant Agreement. Authorizing the Lease will not change that.

Both the Executive Director of HSH and I recommend approval of the proposed Resolution. If you have questions regarding the Lease, please contact my staff member, Sandi Levine at 415-361-1555 or sandi.levine@sfgov.org. For questions regarding the Program, please contact Emily Cohen at 628-652-7905 or emily.cohen@sfgov.org.

Respectfully,



Sally Oerth

Director of Real Estate