



DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING



888 Post - Acquisition

San Francisco Board of Supervisors
Government Audit and Oversight Committee
July 15, 2021



888 Post –TAY Navigation Center Acquisition

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- Resolution authorizing acquisition 888 Post Street.
- The Lower Polk Transitional Aged Youth Navigation Center opened in February 2021 at 888 Post.
 - Navigation Center has 75-bed capacity (43-bed COVID-informed capacity).
 - Has served 136 youth since February 2021.
- HSH will conduct a public process in August 2021 to identify tenants for half of the second floor and full ground floor.



888 Post – Previous Milestones

Urging Resolution – July 9, 2019

- Board urged City to lease or purchase the property at 888 Post
 - Approx. 33,000 sq. ft., three-story building

Lease Approval – Feb. 28, 2020

- Board approved 20-Year Lease between the City and Tidewater (Landlord/Owner)

Construction – March 2020 through January 2021

- Approx. \$14.5 million in capital and tenant improvements
- City was not required to pay rent until December 2020
- City was required to contribute only \$5 million of project budget
- TAY Navigation Center successfully opened in February 2021



888 Post – Purchase Option Overview

Purchase Option

- City sent notice of intent to purchase in May 2021
 - Subject to approval by BOS
- Fixed Purchase Price = **\$29 million**
 - Appraisal (June 2021) and Appraisal Review (July 2021) confirmed \$29M is FMV
 - Miscellaneous closing costs are estimated to be no more than \$100K
 - \$30.1 million in G.O Bond funding approved by the Board on June 9, 2021

Closing Timeline

- Upon approval of Resolution, City will begin process to acquire the Property
- The Controller's Office of Public Finance anticipates selling bonds in early/mid-August
- Closing to occur on or before August 31, 2021.
- Upon acquisition, City immediately avoids ongoing \$125,000 per month in rent



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Thank you.

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