

BOARD of SUPERVISORS



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November 24, 2021

File No. 211204

Lisa Gibson
Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On November 16, 2021, Mayor London Breed introduced the following legislation:

File No. 211204

Resolution 1) approving and authorizing the Director of Property to acquire certain real property located at 822 Geary Street and 629 Hyde Street ("Property"); 2) approving and authorizing an Agreement of Purchase and Sale for Real Estate for the acquisition of the Property, for the purchase price of \$6,300,000 plus an estimated \$20,000 for typical closing costs, for a total amount of \$6,320,000 from Georgios Markoulakis and Crisula Markoulakis, as Trustees of the Markoulakis Family Trust, Dated November 6, 2008 ("Purchase Agreement"); 3) 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; 4) affirming the Planning Department's determination under the California Environmental Quality Act; and 5) 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.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

Brent Jalipa

By: Brent Jalipa, Assistant Clerk
Budget and Finance Committee

Attachment

c: Devyani Jain, Environmental Planning
Joy Navarrete, Environmental Planning
Don Lewis, Environmental Planning

1 [Purchase of Real Property - Georgios Markoulakis and Crisula Markoulakis, as Trustees of
2 the Markoulakis Family Trust, Dated November 6, 2008 - 822 Geary Street and 629 Hyde
3 Street - \$6,320,000]

4 **Resolution 1) approving and authorizing the Director of Property to acquire certain real**
5 **property located at 822 Geary Street and 629 Hyde Street (“Property”); 2) approving**
6 **and authorizing an Agreement of Purchase and Sale for Real Estate for the acquisition**
7 **of the Property, for the purchase price of \$6,300,000 plus an estimated \$20,000 for**
8 **typical closing costs, for a total amount of \$6,320,000 from Georgios Markoulakis and**
9 **Crisula Markoulakis, as Trustees of the Markoulakis Family Trust, Dated November 6,**
10 **2008 (“Purchase Agreement”); 3) authorizing the Director of Property to execute the**
11 **Purchase Agreement, make certain modifications, and take certain actions in**
12 **furtherance of this Resolution and the Purchase Agreement, as defined herein; 4)**
13 **affirming the Planning Department’s determination under the California Environmental**
14 **Quality Act; and 5) adopting the Planning Department’s findings that the Purchase**
15 **Agreement, and the transaction contemplated therein, is consistent with the General**
16 **Plan, and the eight priority policies of Planning Code, Section 101.1.**

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

21 WHEREAS, On December 6, 2019, the San Francisco Board of Supervisors passed
22 an Ordinance amending the Administrative Code to establish Mental Health San Francisco
23 (“Mental Health SF”), which provides access to mental health services, substance use
24 treatment, and psychiatric medications to all adult San Francisco residents with mental illness
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1 and/or substance abuse who are homeless, uninsured, or enrolled in Medi-Cal or Healthy San
2 Francisco; and

3 WHEREAS, The Property includes approximately 9,056 square feet of land and a
4 single story building with mezzanine and adjacent vacant lot; and

5 WHEREAS, The Property was determined to be an ideal space for the purpose of
6 establishing behavioral health programs that will serve individuals in the community that
7 are experiencing behavioral health crises or are in need of community based behavioral
8 health services and care; and

9 WHEREAS, The City, through DPH and the Real Estate Division, in consultation with
10 the Office of the City Attorney, has negotiated the Purchase Agreement to acquire the
11 Property from the Seller for \$6,300,000 (“Purchase Price”), substantially in the form approved
12 by the Director of property and the DPH Executive Director and on file with the Clerk of the
13 Board of Supervisors in File No. _____, incorporated herein by reference; and

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

16 WHEREAS, The Director of Property has determined the Purchase Price to be at or
17 below fair market value; and

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

20 WHEREAS, Proposition C (2018) (Gross Receipts Tax for Homelessness Services
21 (“Prop C”), passed by San Francisco voters in November 2018, created the Homelessness
22 Gross Receipts Tax to fund the Our City, Our Home Fund; and

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

24 WHEREAS, The Planning Department has determined that the actions contemplated in
25 this Resolution comply with the California Environmental Quality Act (“CEQA Determination”)

1 (California Public Resources Code, Sections 21000 et seq.); the Planning Department has
2 also determined that the actions contemplated in this Resolution are consistent, on balance,
3 with the General Plan, and eight priority policies of Planning Code, Section 101.1 (“General
4 Plan Findings”); a copy of said determination (“Planning Letter”) is on file with the Clerk of the
5 Board of Supervisors in File No. _____ and is incorporated herein by reference; the Board
6 affirms these determinations; now, therefore, be it

7 RESOLVED, That in accordance with the recommendation of the Executive Director of
8 DPH and the Director of Property, the Board of Supervisors approves the Purchase
9 Agreement in substantially the form presented to the Board, and authorizes the Director of
10 Property to take all actions necessary or appropriate to acquire the Property; and, be it

11 FURTHER RESOLVED, That, in accordance with the recommendations of the DPH
12 Executive Director and the Director of Property, the Board of Supervisors approves the
13 Purchase Agreement, and approves the DPH Executive Director and the Director of
14 Property to take all actions necessary or appropriate to effectuate the Purchase Agreement
15 and this Resolution; and, be it

16 FURTHER RESOLVED, That the Board of Supervisors approves the Director of
17 Property (or the Director’s designees), in consultation with the DPH Executive Director and
18 the Office of the City Attorney, to enter into any additions, amendments, or other
19 modifications to the Purchase Agreement and any other documents or instruments
20 necessary in connection therewith (including but not limited to the exhibits and ancillary
21 agreements attached to the Purchase Agreement), that the Director of Property determines
22 are in the best interests of the City, do not materially decrease the benefits to the City with
23 respect to the Property, do not materially increase the obligations or liabilities of the City,
24 and are necessary or advisable to complete the transaction contemplated in the Purchase
25 Agreement, and that effectuate the purpose and intent of this Resolution, such

1 determination to be conclusively evidenced by the execution and delivery by the Director of
2 Property of any such additions, amendments, or other modifications; and, be it

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

7 FURTHER RESOLVED, That the Director of Property shall provide the Clerk of the
8 Board of Supervisors with a fully executed copy of the Purchase Agreement within thirty (30)
9 days (or as soon thereafter as final documents are available) of execution by all parties.

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\$6,320,000 Available
Fund ID: 10582
Department ID: 240645
Project ID: 10036747
Authority ID:21531
Account ID:506070
Activity ID: 0001

_____/s/
Ben Rosenfield
Controller

1 RECOMMENDED:

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3 _____ /s/

4 Andrico Penick
5 Director of Property

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