

OFFICE OF THE MAYOR
SAN FRANCISCO



DANIEL LURIE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Dexter Darmali, Legislative & Ethics Secretary
RE: 100% Affordable Housing - Ground Lease - Mercy Housing California 109, L.P. - 1939 Market Street - \$15,000 Annual Base Rent
DATE: June 30, 2026

Resolution 1) approving and authorizing the Director of Property and Director of the Mayor's Office of Housing and Community Development ("MOHCD") to enter into a Ground Lease for real property owned by the City located at 1939 Market Street ("Property") with Mercy Housing California 109, L.P. for a lease term of 75 years and one 24-year option to extend and an annual base rent of \$15,000 ("Ground Lease") in order to construct a 187-unit (including two managers' units) multifamily rental housing development affordable to low-income households (the "Project"); 2) adopting findings that the Project and proposed transactions are consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; 3) determining that the less than market rent payable under the Ground Lease will serve a public purpose by providing affordable housing for low-income households in need, in accordance with Administrative Code Section 23.30; and 4) authorizing the Director of Property and the Director of MOHCD to execute the Ground Lease, and make certain modifications and take certain actions in furtherance of this Resolution, as defined herein.

Should you have any questions, please contact Adam Thongsavat at adam.thongsavat@sfgov.org