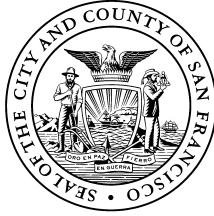


City & County of San Francisco
London N. Breed, Mayor



Office of the City Administrator
Carmen Chu, City Administrator
Andrico Q. Penick, Director of Real Estate

September 3, 2021

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

RE: City's Purchase of Real Property – 5630-5638 Mission Street – Permanent Supportive Housing

Dear Honorable Board Members:

Attached for your consideration is a Resolution approving and authorizing an Agreement of Purchase and Sale for the Mission Inn, a 52-room tourist hotel located at 5630-5638 Mission Street (the "Property") for \$17,000,000 (the "Purchase Price") to be converted into up to 52 units of Permanent Supportive Housing.

In July 2020, Mayor London N. Breed announced her Homelessness Recovery Plan that included the goal of acquiring and operating 1,500 new units of Permanent Supportive Housing over the next two years. To help meet that goal, the City is proposing to purchase the Mission Inn.

The City, through the Department of Homelessness and Supportive Housing ("HSH") and the Real Estate Division, in consultation with the Office of the City Attorney, has negotiated the Purchase Agreement to acquire the property located at 5630-5638 Mission Street from Jamna Investments, LLC for \$17,000,000 plus typical closing costs. The Director of Property has determined the Purchase Price to be at or below fair market value.

Along with the recommendation of RED's Director, HSH recommends approval of the proposed resolution authorizing the purchase. If you have questions regarding the proposed use of the property, please contact Dylan Schneider of HSH at 628.652.7742 or Dylan.schneider@sfgov.org; if you have questions regarding the Purchase Agreement, please contact me at 415.554.9850 or Andrico.penick@sfgov.org.

Respectfully,

Andrico Q. Penick
Director of Property