



DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Five Keys Schools and Programs: 42 Otis Street Ground Lease | Permanent Supportive Housing

Budget and Finance Committee | September 25, 2024



Proposed Ground Lease

- **Resolution:** Approve the **Ground Lease** with **Five Keys** for the city-owned property at **42 Otis Street** to operate as permanent supportive housing for young adults.
- **Term:** Initial term of **5 years** with 10 automatic extensions of 5 years each for a maximum **term of 55 years**.
 - Developed to closely mirror MOHCD's affordable housing model.
- **Amount:** Total rent of **\$1.00**.
 - The below market rent will serve a public purpose by providing permanent supportive housing for low-income and formerly homeless households in accordance with Administrative Code Section 23.33

42 Otis: Project Overview

- Permanent Supportive Housing for Young Adults:
 - **24 units**
 - Serves young adults 18 – 24
- **Five Keys Schools and Programs** selected through **RFQ #144** to hold the Ground Lease, operate, and provide support services at the site.
- **New construction** (2021) with individual bathrooms and kitchens, onsite laundry, community space, an elevator, and easy access to transit.
- Homekey: **~\$8 million** awarded in August 2024
 - Accept and Expend legislation anticipated to be heard by the Board later this year.



Young Adult Homelessness in San Francisco

- 2024 PIT Count estimates **~1,137 youth ages 18 to 24** are experiencing homelessness on any given night in San Francisco
 - 68% are unsheltered
 - 63% are in school or employed
 - 38% are LGBTQ+
- **Ten PSH acquisitions** since 2020.
 - Four of these sites (142 units) serve young adults.

All HSH Housing*

- **13,341** total units/slots
- **9,018** site-based PSH units

Young Adult Housing*

- **759** total units/slots
- **291** site-based PSH units

**Does not include 66 units of young adult housing at 1174 Folsom and 42 Otis as programs have not opened.*



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Questions?

Thank you!