



601-617 Laguna St.

Department of Public Health

## ACQUISITION

BUDGET AND FINANCE COMMITTEE MEETING | JULY 16, 2025



# Background

- The Department of Public Health has been seeking to acquire assisted living facilities in an effort to preserve these service in the community and expand the number of assisted living beds in San Francisco.
- In July of 2024, the City acquired from the same seller, Pacifica SFO LLC. 624 Laguna Street, across the Street from 601-617 Laguna Street.
- The Department of Public Works performed a comprehensive assessment of condition of the building and determined there was a seismic deficiency that Seller agreed to address at their sole cost. Seller, agreed to address Cities desire to upgrade seismic, address deferred maintenance and adapt to DPH programming needs at City's cost, to deliver a turn-key building, ready for service.
- Schedule: If approved, we expect Construction to be complete by 3rs quarter of 2026.

# City Costs for Acquisition and Construction

- Purchase Price: \$11,030,000
- Construction: \$ 5,978,000
- Construction Soft Costs: \$ 2,162,000
- Project Reserve: \$ 800,000
- Closing Costs: \$ 30,000
- Total Not-to-exceed: \$20,000,000



# 601 Laguna Street

Presentation to BOS: July 16, 2025



City & County of San Francisco  
Department of Public Health



# What is an Adult Residential Facility (ARF)?

**Dignified,  
24-Hour  
Care in a  
Homelike  
Setting**

- ✓ Also called assisted living or board and care, ARFs are state-licensed facilities.
- ✓ Serve individuals who cannot live independently due to behavioral health or other care needs.
- ✓ Residents receive support with:
  - Meal preparation
  - Housekeeping
  - Hygiene, dressing, bathing
  - Medication reminders



# A Critical Opportunity to Preserve and Expand Care

San Francisco faces a shortage of appropriate long-term residential placements – including Adult Residential Facility (ARF) beds – highlighted in the Residential Care and Treatment Workgroup.

## This project:

- ✓ Preserves these **critical residential care services** in the community and ensure that they **continue to be a part of** the vibrant Hayes Valley neighborhood.
- ✓ Maintains a longtime **community asset** and provides approximately **40 beds** for people with stable behavioral health conditions.
- ✓ Allows San Francisco to continue to **serve vulnerable residents** in county.



# SFDPH Good Neighbor Policy & Outreach



- Robust community engagement with local neighborhood and business groups since the beginning of 2024
- The Good Neighbor policy requires a designated point of contact for neighborhood concerns
- Clear and open dialogue by the provider with neighborhood will ensure a well-managed, respectful environment with 24-hour staffing





**SAN FRANCISCO  
PUBLIC DEFENDER**

Greater than one.

# QUESTIONS?

