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

November 16, 2021

Department of Public Health Acquisition of real property 822 Geary Street and 629 Hyde Street

Through Carmen Chu City Administrator

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

RE: Acquisition – 822 Geary Street and 629 Hyde Street

Dear Board Members:

Attached for consideration is a Resolution authorizing the acquisition of 822 Geary Street, a 6,823 square feet parcel with an 8,875 square foot building, and 629 Hyde Street, a 2,186 square foot vacant lot adjacent to the Geary Street parcel, for use by the Department of Public Health (DPH) for the purpose of establishing behavioral health programs, including the newly created "Mental Health SF," that will serve individuals in the community that are experiencing behavioral health crises or are in need of community based behavioral health services and care

DPH and the Director of Property have conducted a search and determined that the two properties are ideally located for the programs, where behavioral health services have a high need and will deliver these services where they will have the highest impact. The properties have the unique feature of both indoor and significant outdoor space, which allows for a broader range of services that can be provided. Mental Health SF is the City's strategic framework for improving the behavioral health response to people experiencing homelessness.

The sites to be acquired are currently vacant. The Department of Public Works has done an assessment of the condition of the building and an environmental review of the site and determined the building is suitable for City use.

The City has negotiated a price of \$6,300,000 for the acquisition of these parcels and has confirmed the price as "Fair Market Value" through an appraisal by a certified MAI appraiser, the appraisal was further reviewed and affirmed by a second MAI appraiser.

The Planning Department found that the acquisition of the parcels is not considered a project under CEQA and that it is consistent with the eight priority policies of the General Plan.

The Real Estate Division recommends approval of this acquisition. If you have any questions regarding this matter, please contact me of the Real Estate Division office at 415-554-9860.

Respectfully,

cc. Dr. Grant Colfax, Director DPH