

**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 – 3055 - 3061 16<sup>th</sup> 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 Eula Hotel, a 25-room SRO located at 3055-3061 16<sup>th</sup> Street (the "Property") for \$5,600,000 (the "Purchase Price") to be converted into up to 25 units of Permanent Supportive Housing to serve Transitional Age Youth (TAY).

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 Eula Hotel.

The City, through 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 3055-3061 16<sup>th</sup> Street from Mahadeva, LLC for \$5,600,000 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](mailto:Dylan.schneider@sfgov.org); if you have questions regarding the Purchase agreement, please contact me at 415.554.9850 or [Andrico.penick@sfgov.org](mailto:Andrico.penick@sfgov.org)

Respectfully,

Andrico Q. Penick  
Director of Property