



London Breed, Mayor

Department of Human Services
Department of Aging and Adult Services
Office of Early Care and Education

Trent Rhorer, Executive Director

MEMORANDUM

TO:	HUMAN SERVICES COMMISSION
THROUGH:	TRENT RHORER, EXECUTIVE DIRECTOR
FROM:	DAN KAPLAN, DEPUTY DIRECTOR ROBERT WALSH, DIRECTOR OF FACILITIES
DATE:	SEPTEMBER 20, 2019
SUBJECT:	TRANSFER OF DEED AND TITLE OF 538 HOLLOWAY AVENUE (REAL PROPERTY) FROM LARKIN STREET YOUTH SERVICES TO SAN FRANCISCO HUMAN SERVICES AGENCY, FACILITATED BY MAYOR’S OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT (MOHCD), SAN FRANCISCO OFFICE OF THE CITY ATTORNEY AND SAN FRANCISCO DEPARTMENT OF REAL ESTATE (RED)
CLOSING COSTS ONLY	
TOTAL AMOUNT:	\$50,000.00
ANNUAL AMOUNT:	<u>\$0.00</u>

The Department of Human Services (DHS) requests authorization to receive in transfer deed and title to the real property located at 538 Holloway Avenue and all improvements thereon, in exchange for City’s forgiveness of loans to the Seller (Larkin Street Youth Services) in the amount of \$1,030,913.00.

Background

Between 2003 and 2008, Larkin Street Youth Services entered into the following three loan agreements with and through MOHCD, for purchase and improvement(s) of the 538 Holloway property:

1. Eight Hundred Seventeen Thousand Seven Hundred Fifty-Six and No/100 Dollars (\$817,756.00) of MOHCD Affordable Housing Bond Program funds (the “Prop A Loan”);
2. Eighty-Nine Thousand Nine Hundred Fifty-Nine and No/100 Dollars (\$89,959.00) in MOHCD CDBG funds (the “CDBG Loan”);
3. One Hundred Twenty-Three Thousand One Hundred Ninety-Eight and No/100 Dollars (\$123,198.00) in HUD (via MOHCD) HOME Investment Partnership Program funds (the “HOME Loan”).

On June 1, 2011, Larkin Street Youth Services requested a borrower hardship, reducing the interest on the above-referenced loans from 3% to 0%. On May 17, 2015, Larkin Street Youth Services ceased operation of services at the 538 Holloway facility.

Since then, DHS has had a grant with Hamilton Families Programs to provide each year rapid housing support services at the 538 Holloway site to approximately 20 homeless families in the child welfare system. Under this contract, Hamilton supplies residential counselors, maintains communication with HSA, and provides basic building maintenance and janitorial services at the site.

The proposed transfer has been facilitated by the Mayor's Office of Housing and Community Development, the Real Estate Department, and the City Attorney's Office.

Funding

Funding for this purchase is provided by 100% funding from the City General Fund