



**FOR IMMEDIATE RELEASE:**

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**\*\*\* PRESS RELEASE \*\*\***

**MAYOR LONDON BREED ANNOUNCES LEASE FOR 145  
UNITS OF HOUSING FOR HOMELESS AND FORMERLY  
HOMELESS HOUSEHOLDS**

*Board of Supervisors today approved Mayor Breed's resolution to lease a new building at 833 Bryant Street to provide 145 permanently affordable homes*

**San Francisco, CA** — The Board of Supervisors today approved Mayor London N. Breed's resolution to lease 833 Bryant, which will provide 145 units of Permanent Supportive Housing (PSH) for people experiencing homelessness. These new units are part of the City's effort to open up over 1,000 new permanent supportive housing units by the end of 2024. PSH provides long-term affordable housing with on-site social services to people exiting chronic homelessness. Currently, over 10,800 people live in the City's PSH.

"We need to keep creating more housing in San Francisco and doing so as quickly as we can, because housing is the solution to homelessness," said Mayor Breed. "These new homes will not only provide permanent housing for formerly homeless people, they will also open up more spaces in our shelter system for people who are currently living on the streets. I want to thank all our partners on this project for their work to create this new building and for working with the City to create these much-needed homes."

"This project not only provides much needed permanent supportive housing, but also takes an innovative approach in reducing time and costs," said Abigail Stewart-Kahn, Interim Director of the San Francisco Department of Homelessness and Supportive Housing. "The 833 Bryant Street public private partnership demonstrates that supportive housing can be developed rapidly and effectively to serve chronically homeless people in our community."

833 Bryant, previously a surface parking lot in SoMa, is currently under construction. When complete in fall 2021, it will provide 145 permanently affordable homes with in-unit kitchens and bathrooms. The resolution would allow the City to lease the building to provide ongoing housing to households exiting homelessness.

The master lease resolution that Mayor Breed introduced and that was approved today is competitive relative to other City PSH master lease projects with fewer amenities. At the end of the lease term, the City will have the option to purchase the land for \$1, and the building will be permanently affordable.

833 Bryant represents a new approach to financing 100% affordable housing in San Francisco. No City funds are used to construct the project. Instead, the Housing Accelerator Fund (HAF)



invested \$35 million of a larger philanthropic donation from Tipping Point Community to acquire the surface parking lot, fund project design, entitlements, and start construction, now well underway. The project developer, Mercy Housing California, is securing low-income housing tax credits and tax-exempt bonds in partnership with Citibank and the State of California to finish construction, which will return a portion of the philanthropic funds to the HAF to invest in additional supportive housing projects. The City's agreement to enter into a long-term lease, which will support debt service on the project's permanent loan, allows for the tax-exempt bond rating to be linked to the City's credit rating, resulting in more advantageous pricing and lower overall project costs.

The City's Department of Homelessness and Supportive Housing will ensure that the new homes permanently serve homeless households through the long-term lease and by providing operating subsidies. The goal of all these partners, on its way to full success, is to reduce the time and cost of building the supportive housing people experiencing homelessness so urgently need.

"Philanthropy has the ability to act quickly and take risks to identify bold solutions to some of our community's greatest challenges," said Daniel Lurie, Chairman of the Board of Tipping Point Community. "This project is a great example of how private donors can provide risk capital for a proof of concept, and work with government to sustain the solution for the long run."

"Two years ago, the Housing Accelerator Fund set out on an ambitious mission: to cut the time it takes to build permanent supportive housing in half and to significantly reduce production costs," said Rebecca Foster, CEO of the Housing Accelerator Fund. "In partnership with Mercy Housing, Tipping Point Community, and the City of San Francisco, we are thrilled to be achieving these goals. Many thanks to our partners for helping advance the innovations that will soon result in 145 new, beautiful homes for people experiencing homelessness."

"By deploying modular construction and an entrepreneurial financing approach, this project demonstrates the potential for time and costs savings for developing affordable housing in San Francisco," said Doug Shoemaker, President, Mercy Housing California.

The COVID-19 pandemic has demonstrated, now more than ever, that housing is essential to good health care and that all of our health and wellbeing is intertwined. Protecting the health of people experiencing homelessness is essential to safeguard the health of all. With this in mind, the City has not stopped the housing placement process and continues to connect people with PSH and rapid rehousing.

The City is also actively aligning local and state resources and strategies to acquire hotels for long-term housing options. While there are many devastating impacts of COVID-19, the City plans to continue working with the public and private partners to grow and improve the housing solutions to homelessness.

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