FILE NO. 250459

RESOLUTION NO. 272-25

4.6

[Assignment and Assumption Agreement - The Tides Center - DISH SF - Lease and Property Management Agreement - 1321 Mission Street]

Resolution approving and authorizing the Director of Property and the Executive Director of the Department of Homelessness and Supportive Housing ("HSH") to approve the assignment of the certain Lease and Property Management Agreement, dated February 17, 2023, by and between the City and The Tides Center ("Tides"), as fiscal sponsor, for Delivering Innovation In Supportive Housing, ("Agreement") for the real property located at 1321 Mission Street (the "Property") from Tides to DISH SF, a nonprofit public benefit corporation, effective July 1, 2025; authorize the Director of Property and the Executive Director of HSH to consent to an Assignment and Assumption Agreement ("Assignment") with DISH SF to authorize DISH SF to lease, operate, and maintain the real property and residential improvements located at the Property under the same terms and conditions as described in the Agreement; and authorizing the Director of Property and the Executive Director of HSH to make certain modifications, and take certain actions in furtherance of the Assignment and this Resolution, as defined herein.

WHEREAS, The mission of the Department of Homelessness and Supportive Housing ("HSH" or "Department") is to prevent homelessness when possible and make homelessness rare, brief, and one-time in the City and County of San Francisco ("the City") through the provision of coordinated, compassionate, and high-guality services; and

WHEREAS, As of the 2024 Point-in-Time Count, there were approximately 8,323 people experiencing homelessness in San Francisco on any given night, 52% of whom were unsheltered; and

WHEREAS, With the enactment of Resolution No. 319-18 in October 2018, the Board of Supervisors declared a shelter crisis and affirmed San Francisco's commitment to combatting homelessness and creating or augmenting a continuum of shelter and service options for those experiencing homelessness; and

WHEREAS, Permanent Supportive Housing ("PSH") is the most effective, evidencebased solution to ending chronic homelessness, and prevents new incidents of homelessness among highly vulnerable people with long experiences of homelessness; and

WHEREAS, The City acquired the property located at 1321 Mission Street on March 25, 2022, for use as PSH for formerly homeless adults and families, a copy of the final recorded grant deed is on file with the Clerk of the Board of Supervisors ("Clerk") in File No. 210967; and

WHEREAS, In March 2022, HSH selected The Tides Center ("Tides"), as fiscal sponsor to Delivering Innovation in Supportive Housing ("DISH"), a California nonprofit public benefit corporation, through a Solicitation of Interest, a copy of which is on file with the Clerk in File No. 221084, to provide property management and operations services at the Property; and

WHEREAS, On August 15, 2022, the Civil Service Commission approved property management and operations services to be provided by selected non-profit organizations at HSH acquired properties, including the Property, under PSC #43675-22/23 in the total amount of \$52,000,000 for a period of five years, a copy of which is on file with the Clerk in File No. 221084; and

WHEREAS, On November 15, 2022, the Board of Supervisor adopted Resolution No. 494-22, approving and authorizing the Director of Property and the Executive Director of HSH to enter into a Lease and Property Management Agreement ("Agreement") with Tides, as fiscal sponsor for DISH; and

WHEREAS, On February 17, 2023, the City entered into the Agreement with Tides, as fiscal sponsor for DISH, a copy of which is on file with the Clerk in File No. 221084; and

WHEREAS, After 18 years of being a project of The Tides Center, DISH has formed DISH SF, an independent non-profit public benefit corporation pursuant to California law in order to support their size and evolving needs; and

WHEREAS, DISH SF has been recognized by the Internal Revenue Service and the State as a tax-exempt organization described in Section 501(c)(3) and 509(a)(1) of the Internal Revenue Code through a letter dated May 28, 2024, a copy of which is included as an attachment to the Assignment and Assumption Agreement on file with the Clerk in File No. 250459; and

WHEREAS, Tides and DISH SF entered into a Transition Agreement ("Transition Agreement") effective as of July 1, 2025, that allocates certain contracts, assets and liabilities, including the Agreement, from Tides to DISH SF, a copy of the Transition Agreement is included as an attachment to the Assignment and Assumption Agreement on file with the Clerk in File No. 250459; and

WHEREAS, Tides and DISH SF intend to memorialize the assignment of the Agreement from Tides to DISH SF via an Assignment and Assumption Agreement ("Assignment"), which would authorize DISH SF to lease, operate and maintain the Property under the same terms and conditions as the Agreement, a copy of the substantially final Assignment is on file with the Clerk in File No. 250459; and

WHEREAS, Article 8 of the Agreement requires prior City approval for any transfer or assignment of Tides' interest in the Agreement or the Property, and the assignment of the Agreement to DISH SF is a material change that requires Board of Supervisors approval; and

WHEREAS, HSH and the Director of Property desire to consent to the Assignment; now, therefore, be it RESOLVED, That in accordance with the recommendation of the HSH Executive Director and the Director of Property, the Board of Supervisors hereby authorizes the Director of Property and the HSH Executive Director, or their designee(s), to consent to the assignment of the Agreement from Tides to DISH SF; and, be it

FURTHER RESOLVED, That in accordance with the recommendation of the HSH Executive Director and the Director of Property, the Board of Supervisors hereby authorizes the Director of Property and the HSH Executive Director, or their designee(s), to execute the Assignment as a consenting party; and, be it

FURTHER RESOLVED, That the Board of Supervisors authorizes the HSH Executive Director and the Director of Property, or their designee(s), to take all actions on behalf of the City to consent to, execute, and perform its obligations under the Assignment (including, without limitation, any exhibits) and any other documents that are necessary or advisable to effectuate the purpose of this Resolution and the Assignment; and, be it

FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of Property and the HSH Executive Director, or their designees, in consultation with the City Attorney, to enter into any additions, amendments, or other modifications to the Assignment and any other documents or instruments necessary in connection therewith (including but not limited to any exhibits attached to the Assignment) that the HSH Executive Director and the Director of Property determine are in the best interests of the City, do not materially decrease the benefits to the City, do not materially increase the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes of the Assignment or this Resolution, and are in compliance with all applicable laws, including the City's Charter, such determination to be conclusively evidenced by the execution and delivery by the HSH Executive Director and Director of Property of any such additions, amendments, or other modifications; and, be it

FURTHER RESOLVED, That all actions taken by any City employee or official with respect to the Assignment are hereby approved and ratified; and, be it

FURTHER RESOLVED, That within thirty (30) days of the Assignment being fully executed by all parties, HSH shall submit to the Clerk of the Board of Supervisors a fully executed copy for inclusion in the official file.

Recommended:

<u>/s/</u> Andrico Penick Real Estate Division Director of Property

Shireen McSpadden Department of Homelessness and Supportive Housing

/s/

Executive Director



City and County of San Francisco Tails Resolution

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

File Number: 250459

Date Passed: June 03, 2025

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May 21, 2025 Budget and Finance Committee - RECOMMENDED

June 03, 2025 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

File No. 250459

I hereby certify that the foregoing Resolution was ADOPTED on 6/3/2025 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

Daniel Lurie Mayor

6.6.25

Date Approved