



MEMORANDUM

April 4, 2025

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Gail Gilman, Vice President
Hon. Willie Adams
Hon. Stephen Engblom
Hon. Steven Lee

FROM: Elaine Forbes
Executive Director

SUBJECT: Informational presentation of a proposed Memorandum of Understanding between the Port and the Department of Homelessness and Supportive Housing for a five (5) year term, covering the property at 600 25th Street between Michigan Street and Louisiana Street, for continued operation of the Central Waterfront Navigation Center.

DIRECTOR'S RECOMMENDATION: Informational Only – No Action Required

EXECUTIVE SUMMARY

On September 13, 2016, the Port Commission approved a Memorandum of Understanding (MOU) between the Port of San Francisco and the Department of Homelessness and Supportive Housing (HSH), authorizing the use of 600 25th Street as a 64-bed temporary navigation center. This MOU was later amended to extend its term through April 30, 2025.

The Central Waterfront Navigation Center has proven to be a successful and effective initiative in addressing homelessness in the Southern Waterfront. In light of this, the parties now seek to enter into a new MOU for a term of five years.

STRATEGIC OBJECTIVE

Entering this MOU will support the Port's Strategic Plan as follows:

Equity

The Central Waterfront Navigation Center provides shelter, food, and safety in addition to other essential services to individuals who are often marginalized and economically disadvantaged.

Engagement

Port is actively partnering with HSH to help address the city's overall needs for temporary housing through the Navigation Center.

BACKGROUND

San Francisco continues to face significant and persistent challenges related to homelessness. The January 2024 biennial "Point-in-Time" homeless count and survey revealed that approximately 8,323 individuals experienced homelessness on any given night in the City, with 52% of them unsheltered.

In April 2023, HSH released the citywide five-year strategic plan, *Home by the Bay: An Equity-Driven Plan to Prevent and End Homelessness in San Francisco*, which calls for increased shelter, housing, and prevention efforts to meet the plan's ambitious goals. In the first year of the plan, HSH added 498 new shelter beds, 282 new units of permanent housing, and expanded prevention services to support an additional 600 households.

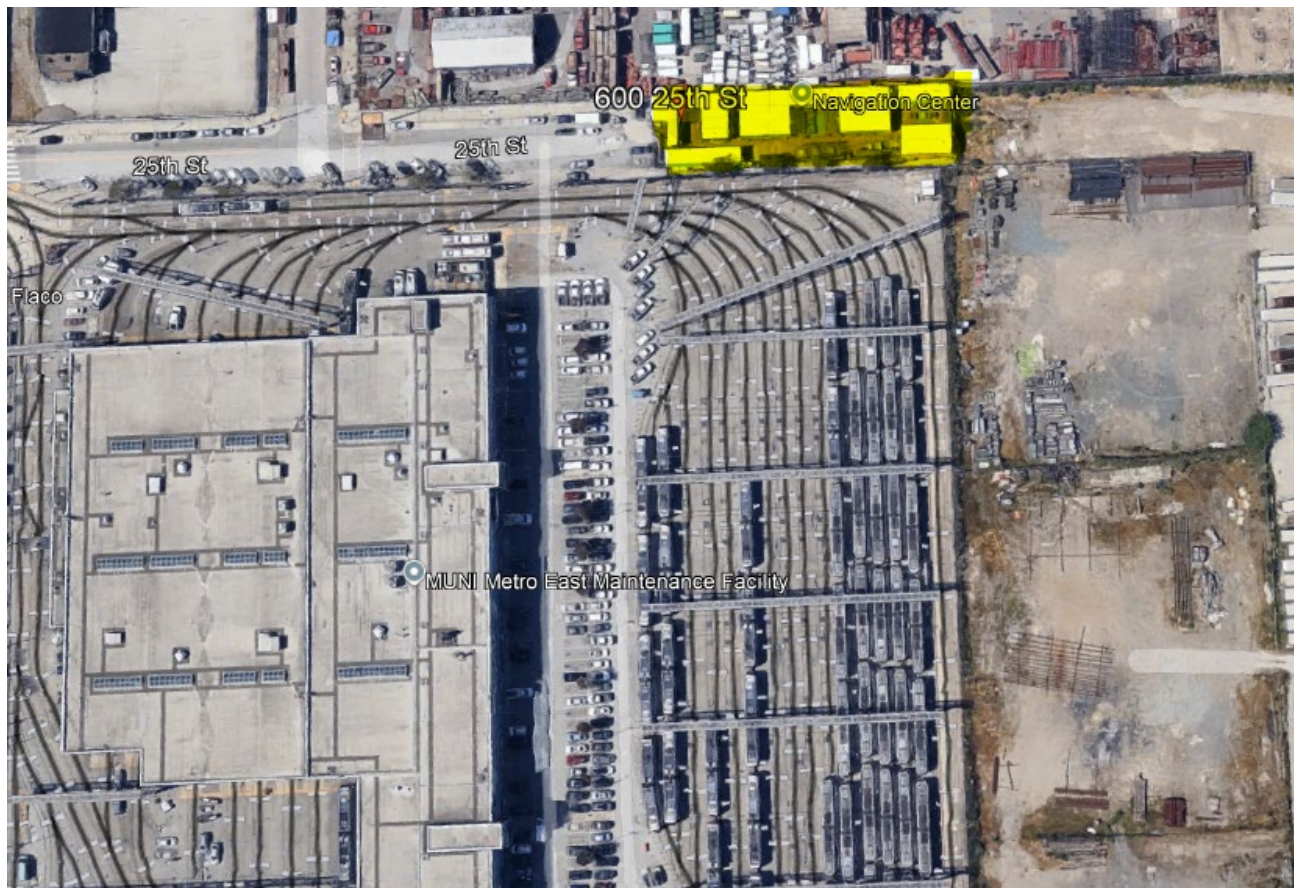
Since 2015, San Francisco has been operating Navigation Centers, a low-barrier shelter model that provides 24/7 access and allows guests to bring their partners, pets, and belongings. These centers also connect guests with essential services and housing. The City currently operates eight Navigation Centers, including two on Port property: the Central Waterfront Navigation Center and the Embarcadero SAFE Navigation Center.

Central Waterfront

The Central Waterfront Navigation Center opened in May 2017 and serves as an important piece of the City's response to the homelessness crisis, providing 64 temporary shelter beds to adults experiencing homelessness, creating an interim housing solution in a safe, nurturing, and welcoming environment for people, pets and their belongings.

The Central Waterfront Navigation Center has supported 327 individuals in FY 2023-24, and a total of 1,434 individuals since the program's inception. On February 25, 2025, 63 of the 64 available beds were occupied, reflecting a 98% occupancy rate. Under the proposed MOU, the Central Waterfront Navigation Center will continue to operate with 64 beds with no capacity expansion proposed at this time.

Figure 1. Central Waterfront Navigation Center Location Shown in Yellow Below



Site Operations

The Navigation Center provides a low-barrier shelter, welcoming individuals with their partners, pets, and possessions. In June 2024, HSH transitioned operations of the program to Five Keys Schools and Programs, a California nonprofit corporation (“Five Keys”). Five Keys is the nonprofit operator of the site and provides 24/7 staffing, intake, assessment, personalized service plans, case management, benefits navigation (in partnership with the Human Services Agency), wellness checks, two daily meals, laundry and shower facilities, referrals to services including housing assessments, support groups, social events, and activities. HSH partners with the Department of Public Health (DPH) to provide additional services on-site including DPH Shelter Health (onsite twice a week) and DPH Behavioral Health (onsite twice a week).

Referrals to the program run through the City’s centralized placement process, accepting referrals from entities including the San Francisco Homeless Outreach Team (SFHOT), Healthy Streets Operations Center (HSOC), and hospital referrals. The program does not accept walk-ins.

Good Neighbor Policy

The Port's MOU with HSH requires HSH and Five Keys to be contractually bound by a Good Neighbor Policy. The Good Neighbor Policy requires HSH and Five Keys, as HSH's facility operator, to:

1. Work with neighbors, San Francisco Police Department (SFPD), Department of Public Works (DPW), DPH, Department of Emergency Management (DEM)/Healthy Streets Operations Center (HSOC), and other relevant city agencies to ensure that neighborhood concerns about the facility, site, and perimeter are heard and addressed.
2. Assign a director, manager, or representative to participate in and attend appropriate neighborhood and community meetings.
3. Provide a phone number to all interested neighbors that will be answered 24 hours a day by a representative, who will direct complaints and issues to a manager or other responsible person who has the authority to respond to complaints and issues at the site as they arise.
4. Minimize the impact on the neighborhood of program guests entering, exiting, or waiting for services. The facility operator will do this by limiting referrals to specified referral partners, not allowing walk-ins, and having 24/7 access to the site for registered guests. Walk-ins will only be allowed if this method is a part of the program's executed scope of work, during a weather activation, or other exception, as directed by HSH.
5. Actively discourage and address excessive noise from program participants. The facility operator will coordinate with other service providers and City agencies, as necessary to address this issue if just outside the program site.
6. Actively discourage loitering and public drug use in the area immediately surrounding the program. The facility operator will coordinate with other service providers and City agencies, as necessary, to address this issue.
7. Implement management practices necessary to ensure that staff and participants maintain the safety and cleanliness of the area immediately surrounding the facility and do not block driveways of neighboring residents or businesses.
8. Take all reasonable measures to ensure the sidewalks adjacent to the facility are not blocked.
9. Conduct at minimum three daily perimeter inspections, collect litter and contact the appropriate city department for assistance when needed.
10. Immediately report to SF Homeless Outreach Team (SFHOT) or HSOC if encampments emerge along the perimeter of the site or immediately across the street.
11. Actively discourage guests from keeping tents outside of the site on the sidewalk and follow HSH protocols on the issue.
12. Abate any graffiti on the site within 24 hours, weather permitting.
13. Report graffiti in the immediate area to 311.

COMMUNITY OUTREACH

Prior to opening the site in 2017, HSH engaged in extensive community outreach with local organizations, particularly the Dogpatch Neighborhood Association (DNA), the Port's Central Waterfront Advisory Group (now known as the Southern Waterfront Advisory Committee, or SAC), the Dogpatch Business Association, and the Dogpatch Green Benefit District.

Since the site's opening in 2017, HSH and its nonprofit operator have regularly attended DNA meetings upon invitation and maintained ongoing communication with DNA leadership.

The Central Waterfront Navigation Center has been well received by the community with minimal reported issues or incidents. In March of 2019, the DNA sent a letter to HSH supporting an extension of term for the Central Waterfront Navigation Center and stated that "The City's Navigation Centers have proven to be effective and attractive choices for people on the street, providing them with a safe place to be, services and access to resources to help them change their lives in dignified settings marked by compassion, and respect. Since opening, the Central Waterfront Navigation Center has been a good neighbor, well-maintained, and an invaluable resource in addressing encampments in our neighborhood."

HSH, in collaboration with the Port, reached out to Supervisor Walton and the DNA to confirm their continued support for the Navigation Center. HSH met with the DNA on March 11, 2025 and was told the DNA will be providing a letter of support. Port staff informed the SAC about negotiations with HSH at the SAC meeting on February 26, 2025. HSH plans to present at the SAC meeting on April 23, 2025.

PROPOSED MOU TERMS

The schedule below outlines the terms and conditions of the new MOU.

<i>Tenant:</i>	Department of Homelessness and Supportive Housing, an agency of the City
<i>Premises:</i>	Approximately 13,380 rentable square feet of paved land
<i>Permitted Use:</i>	The premises shall be used solely for the operation of a Navigation Center to provide temporary housing and services to homeless individuals which may include: food preparation and service, storage of personal property, restroom and personal hygiene facilities, laundry services, provision of social services for up to 64 homeless individuals and kennel services for their pets and for no other purpose.
<i>Term:</i>	Five (5) years. There shall be no holding over on a month-to-month basis after the expiration of this MOU. HSH may cancel the MOU upon thirty (30) days' written notice to the Port.

<i>Port's Right of Termination</i>	If the Premises is required for a public trust purpose, the Port may terminate the MOU with six (6) months' notice.			
<i>Commencement Date</i>	May 1, 2025			
<i>Expiration Date</i>	April 30, 2030			
<i>Termination of Prior MOU</i>	As of the Commencement Date, MOU M-16161 shall be terminated.			
<i>Monthly Base Rent:</i>	Months	Sq. Ft.	Rate PSF	Monthly Rent
	May 1, 2025 – April 30, 2026	13,380	\$0.55	\$7,359.00
	May 1, 2026 – April 30, 2027	13,380	\$0.57	\$7,626.60
	May 1, 2027 – April 30, 2028	13,380	\$0.59	\$7,894.20
	May 1, 2028 – April 30, 2029	13,380	\$0.60	\$8,028.00
	May 1, 2029 – February 28, 2030	13,380	\$0.62	\$8,295.60
<i>Demobilization Period</i>	March 1, 2029 – April 30, 2030	13,380	\$0	\$0
<i>Surrender of Premises /Demolition Period</i>	Provided HSH is in good standing in accordance with Port Commission Resolution No. 09-49, during the demobilization of the site, rent will be reduced by \$0 during the last two months of the term to allow HSH to remove improvements and equipment prior to HSH's surrender of premises.			
<i>Financial Assurances:</i>	Prior to the Effective Date, HSH agrees that it shall encumber via a work order to provide the Port with a security deposit of at least \$16,591.20 to secure its obligations under this MOU ("Security Deposit").			
<i>Southern Waterfront Community Benefits and Beautification Policy.¹ Elements</i>	6.5% of lease revenues will be set aside in the Port's Southern Waterfront Community Benefits and Beautification fund. This equates to approximately \$31,000 over the five-year term.			

¹ Pursuant to Resolution No. 07-77, this lease is subject to the Port's Southern Waterfront Community Benefits and Beautification Policy.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

In 2019, the State of California passed Assembly Bill 101, exempting certain homeless shelters and navigation centers from CEQA clearance requirements. On April 2, 2020, the Planning Department issued a determination that the Central Waterfront Navigation Center is an eligible “Low Barrier Navigation Center” and pursuant to Government Code sections 65660 *et seq.*, that actions taken to approve the Central Waterfront Navigation Center do not require further review under CEQA, including the previous extension of the term of the Central Waterfront Navigation Center.

Prepared by: Kimberley Beal, Assistant Deputy Director
Real Estate and Development

For: Scott Landsittel, Deputy Director
Real Estate and Development

Attachments: Attachment 1 – Planning Department CEQA Determination Letter

Attachment 2 – Dogpatch Neighborhood Association Navigation Center
2025 Renewal Support Letter

ATTACHMENT 1

Exhibit C: Planning Department CEQA Determination



San Francisco
Planning

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SAN FRANCISCO, CA 94103
STREET ADDRESS / 415.575.6000

MEMO

TO: Emily Cohen
Department of Homelessness and Supportive Housing

FROM: Joy Navarrete, Principal Environmental Planner

DATE: April 2, 2020

PROJECT: Extension of the Central Waterfront Navigation Center at 600 25th Street

SUBJECT: Planning Department / Environmental Review Officer Concurrence
California Environmental Quality Act (CEQA) Exemption per AB 101

This memorandum is in response to a memorandum from Department of Homelessness and Supportive Housing dated April 1, 2020 requesting Planning Department confirmation that no environmental review is required for the Extension of the Central Waterfront Navigation Center at 600 25th Street. The memo will confirm that the Extension of the Central Waterfront Navigation Center is not subject to the California Environmental Quality Act (CEQA) under the terms of recent changes to California law set forth in Assembly Bill 101, California Government Code Sections 65660 – 65668 (AB 101).

AB 101 provides that a low barrier navigation center that meets certain criteria and is located in a mixed-use zoning district or a non-residential zone that permits multifamily uses is a use by right and is not subject to CEQA (Government Code Section 65660(b)). A "use by right" is defined in Government Code Section 65583.2(a) to mean that the local government's review of the use may not require a conditional use permit, planned unit development permit, or other discretionary local government review or approval that would constitute a "project" for purposes of CEQA.

The zoning designation for this site is PDR-1. A Homeless Shelter is currently allowed by right in the PDR-1 Zoning District. This Zoning District (and all PDR Districts) could be classified as a "mixed-use zone" because it permits a mix of uses including industrial, institutional, residential (homeless shelters), retail, and more. It could also be classified as a "non-residential zone" because most of the allowed uses are non-residential. Further, it can be classified as permitting "multifamily uses" because homeless shelters serve multifamily populations.

The memorandum dated April 1, 2020 from the Department of Homelessness and Supportive Housing explained how the Extension of the Central Waterfront Navigation Center at 600 25th Street complies with the criteria set forth in AB 101. It meets the definition of a low barrier navigation center set forth in Government Code Section 65660(a) and meets the criteria set forth in Government Code Section 65662. Accordingly, the Extension of the Central Waterfront Navigation Center at 600 25th Street is not subject to CEQA.

ATTACHMENT 2



Emily Cohen
Deputy Director for Communications and Legislative Affairs,
Department of Homelessness and Supportive Housing
440 Turk St.,
San Francisco, CA 94102

Dear Ms. Cohen:

The Dogpatch Neighborhood Association (DNA) is pleased to express our support for continued operations of the Central Waterfront Navigation Center. DNA welcomes a third, extended five-year lease term at the current site. Moreover, if the agencies involved agreed, we would support an extension of ten years.

The City's Navigation Centers have proven to be effective in providing our un-housed neighbors with safe accommodations, services and access to compassionate and respectful support resources. Since opening, the Central Waterfront Navigation Center has been a good neighbor, well maintained, and an invaluable resource in helping to serve those living in encampments in our neighborhood.

DNA welcomes the Department of Homelessness and Supportive Housing's (HSH) methodical approach to addressing encampments and work with the Healthy Streets Operations Center to ensure that all concerns are properly addressed. We appreciate having the navigation center in our community and the work of the City to ensure that our community's concerns are prioritized. DNA believes that the Central Waterfront Navigation Center is an important neighborhood and community asset and look forward to seeing operations continue at 25th and Michigan in Dogpatch well into the future.

Please feel free to contact me with questions.

Best regards,

Michael

Michael Berkowitz - President
Dogpatch Neighborhood Association
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CC - Elaine Forbes, Executive Director, Port of San Francisco | D10 Supervisor Shamann Walton | Shireen McSpadden, Executive Director, HSH | Chief William Scott, SFPD | Carla Short, Director, DPW