

Mayor's Office of Housing and Community Development
City and County of San Francisco



Edwin M. Lee
Mayor

Olson Lee
Director

TEFRA Hearing Minutes

Project Name: Dorothy Day Community
Project Sponsor: Mercy Housing California
Project Address: 54 McAllister Street, San Francisco, CA 94102
Project Block/Lot: 0349/009, 014
Hearing Location: City and County of San Francisco
Mayor's Office of Housing and Community Development
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Hearing Date/Time: April 26, 2017 from 11:00 a.m. to 12:15 p.m.

The hearing was called to order by Adam Cray of the San Francisco Mayor's Office of Housing and Community Development at 11:00 a.m. Other parties present throughout the hearing included:

- Lauren Maddock, Mercy Housing California ("Mercy");
- Harriet Sebastian, resident at the Project;
- C. Pearl Dreher, friend of Ms. Sebastian;
- Terrell, friend of Ms. Sebastian (present for the last 15 minutes of the hearing);
- Faye Huang, Assistant Property Manager at the Project; and
- Sally Li, Property Manager at the Project.

1. Explanation of the Purpose for the Hearing

Mr. Cray explained that the Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA") is a federal law requiring any issuer of tax-exempt bonds to provide a reasonable opportunity for interested individuals to express their views, either orally or in writing, on the issuance of the bonds and the nature of the improvements and projects for which the bond funds will be allocated. Thus, as the issuer of the tax-exempt bonds financing the subject project, the City and County of San Francisco held the TEFRA hearing to provide those interested in discussing the project the opportunity to comment and ask questions.

2. Comments and Questions from Interested Parties

- Ms. Maddock opened by explaining to all parties the purpose of the renovation to be funded by the tax-exempt bonds, the scope of the proposed work, and issues related to relocation. Specifically, she noted that:
 - the purpose of the refinancing was to allow Mercy to undertake much-needed repairs;
 - the proposed work would involve significant repairs/improvements to courtyard paths, windows, lighting, stairs and ramps, the communal kitchen and art room, and a number of other building fixtures/systems; and
 - there would be no permanent displacement of residents.
- Ms. Sebastian stated that her primary concern was whether or not she would be required to move out of her home. Ms. Maddock and Mr. Cray assured Ms. Sebastian that she would not be permanently displaced as a result of the proposed refinancing and renovations. Ms. Maddock further explained that residents would likely be relocated for 3-4 weeks while their units are repaired but that Mercy will cover all costs related to moving, as well as the cost of residents' temporary accommodations.
- Ms. Sebastian and Ms. Dreher asked about the timeline for the renovations, and Ms. Maddock explained that work would likely begin in February of 2018 and last 12-14 months.
- Ms. Sebastian and Terrell asked who would own the property after the financing, and Ms. Maddock explained the ownership structure, emphasizing that tenant-facing personnel (such as Ms. Huang and Ms. Li) likely would not change and that Mercy would maintain ultimate responsibility for the Project's operations.
- Ms. Maddock noted for Ms. Sebastian, who leads an art program at the Project, that a portion of the art room would be partitioned to enlarge an existing office space for an onsite nurse who would be employed at the property in the next few months.
 - Ms. Sebastian responded that the art program is critical to residents' well-being and asked how much of the art room would be lost to the nurse's office expansion.
 - Ms Maddock replied that Mercy was aware of the art room's importance to residents and that renovations were planned so as to minimize loss of art space. She assured Ms. Sebastian that the office expansion would be limited in scope and that there would be plenty of space left for the art room.
- Ms. Sebastian closed her comments by stating that she was happy she would not be forced to leave her home and that she was looking forward to the improvements the renovation would bring. She also praised Mercy's staff, stating that Mercy "knows how to find the right person for the right job."

After confirming with all parties present that there were no additional questions or comments, the hearing was adjourned at 12:15 p.m.