

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



London N. Breed
Mayor

Eric D. Shaw
Director

TEFRA Hearing Minutes

Project Name(s): Fillmore Marketplace

Project Address: 1223 Webster Street
San Francisco, California 94115

Project Block/Lot: 0732/007

Hearing Location: Due to the COVID-19 Health Emergency, the Hearing was held remotely via a toll free phone call at (855) 228-1766; Access Code 17033508#. This dial-in information was included in the public hearing notice.

Hearing Date/Time: January 12, 2021, 10:00 a.m. to 10:25 a.m.

Omar Cortez of the San Francisco Mayor's Office of Housing and Community Development ("MOHCD") called the hearing to order at 10:00 a.m. Robert Labes, with Squire Patton Boggs, Bond Counsel for the City in this Project, and Lisa Grady, representative of the Project Sponsor, Related California ("Related"), were also in attendance.

1. Explanation of the Purpose for the Hearing

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

In addition to MOHCD, Squire Patton and Boggs, and Related staff noted above, the following Fillmore Marketplace residents attended the hearing to discuss the Project: Shirletha Holmes-Boxx, Andre Ross, Danielle Patton, Betlete Gebrewolt, and Colleen Mohammed.

Upon calling the hearing to order, Mr. Cortez asked the callers to introduce themselves and provide their contact information for the record. The contact information of all the attendees is in the hearing's sign-in sheet, which is also part of the record.

Mr. Labes then solicited public comments and explained that Omar Cortez from MOHCD and Lisa Grady with Related California were on the hearing to answer any questions if they chose to but that the primary purpose of the public hearing was to record comments in support or against the proposed project. He also explained that the City will issue bonds to finance the rehabilitation of the project.

Ms. Shirletha Holmes-Boxx said that she was in support of any bonds for Fillmore Marketplace. She said that she supported the project wholeheartedly and that they had her backing 100%.

Mr. Andre Ross said he would not ask questions because he understood they would not necessarily be answered. He said that he felt he was in a limbo.

Ms. Patton asked the following questions:

- If the property received the allocation to make improvements on the property, will the property continue to be affordable? Ms. Grady responded that bonds that will be issued are tax-exempt bonds available to support affordable housing so they property will continue to operate as 100% affordable.
- Will rent increases be affected? Ms. Grady: rent increases will continue to be determined on an annual basis as they are now because the same Regulatory agencies HCD and MOHCD will remain.
- Where is the loan coming from? Ms. Grady: Union Bank will provide the loan.
- If the loan defaults, can the new owner be able to take the property and convert it to market rate housing? Ms. Grady: no the affordability will remain in place even if the loan goes into default.
- Related Management has many luxury properties in SF – how can we make sure that Related Management not use the funds for other luxury properties. Ms. Grady: Related Management will not be the owner – Related California in a joint venture with a nonprofit developer will be. The joint venture is required to use the loan funds for Fillmore.
- Will there be audits to show how the funds are being used? Related will have meetings with residents to provide reports on how the funds are being spent.
- Ms. Patton thank Ms. Grady for her responses and said that she supported the project

Ms. Mohammed asked whether she could get a copy of the recording. Mr. Cortez explained to Ms. Mohammed that the call was not being recorded but that he was taking notes to the best of his ability and that the notes would be part of the record. Ms. Mohammed also asked what the scope of work would be with the project renovation. Ms. Grady told Ms. Mohammed that Related is in currently refining the scope of work, that the money will be available in March and that a meeting or meetings will be scheduled with the residents to discuss the rehab scope once it

is finalized. She also said that Related would devise a plan to communicate with the residents about the progress of the rehabilitation project.

Mr. Cortez asked Ms. Grady who would be the contact if the residents had additional questions. Ms. Grady said that residents may contact the onsite property manager with questions and that if the manager couldn't answer their questions, the onsite manager would forward them to Ms. Grady.

MOHCD staff received two letters from Fillmore Marketplace Apartments residents after the date of the public hearing. The first letter was from Mr. Renaldo Thompson, dated January 4, 2021. The second letter was from Mr. Andre Ross, dated January 5, 2021. Both letters are attached to these minutes and are part of the record.

The hearing was adjourned at 10:25 a.m.

Omar Cortez,

January 4, 2021

RECEIVED
MAYOR'S OFFICE OF HOUSING
AND COMMUNITY DEVELOPMENT

21 JAN -7 PM 3:19

Re: Fillmore Marketplace Loan

Dear Mr. Cortez,

My name is Renaldo Thompson, and I have been a resident of 1223 Webster Street #407, in San Francisco CA, 94115 since April 19, 1996. I've also lived in this neighborhood for the last (52)fifty-two years. As I was born and raised here.

I would like to address the loan being proposed by Fillmore Marketplace and it's partners? My first concern is that the loan is not being secured by the state of California or the City and County of San Francisco, which leads me to believe, that there would be no protections for low income residents such as myself, and that I and others residents of the property could be displaced if the loan is defaulted?

My second concern is how will the loan be repaid? Will rents be raised to help pay back the loan? If that happens, someone like myself is in big trouble, as I'm on a fixed income and can barely make rent now, and an increase would most definitely be the road to me becoming homeless.

In closing, I would greatly appreciate any knowledge that would help subside my worries. I would like to thank you for taking the time to provide a platform for interested parties to voice their concerns, and hopefully gain some insight on we hat the means for our long term housing?

Respectfully Submitted for your review.

Renaldo Thompson

1223 Webster Street

Apt. 407

San Francisco CA, 94115

415-690-9792

renaldo75thompson@gmail.com

01-05-2021

Mayor's Office of Housing and Community Development

C/O Mr. Omar Cortez,

1 South Van Ness Avenue, 5th Floor,

San Francisco, CA 94103

To Whom It May Concern,

My name is Andre Ross, I am a residence of Fillmore Market Place Unit 706 for 15 years!

My concerns as a current Tenant are as follows;

1-How does Fillmore Market place plan to conduct this rehabilitation project?

2- Will Fillmore Market Place put in writing that once they rehab a tenet's unit that person or persons will be allowed to return to their unit under the CURRENT PROVISIONS: ANNUAL CERTIFICATE, INCREASED RENT base on that person or persons Yearly Gross INCOME! (NOT ON THE AMI-AREA MEDIAN INCOME!)

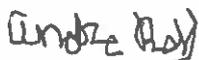
3-If the tenets have to be located during the rehabilitation of their unit is FILLMORE MARKET PLACE going to Pay for moving, storage, rental fee until the unit is completed?

4-If Fillmore Market Place received this Twenty-four Million Dollars loan, what is the percentage of the loan are they going to include as an addition fee into the TENET'S RENT?

Thank you for hearing my concerns!

Sincerely

Andre Ross



P.S.

If you would like to contact me feel free to either telephone me at 1-415-474-9447 (Home) or send correspondence at Andre Ross, 1223 Webster St. Apt 706, San Francisco, CA 94115