NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS

October 4, 2015
Mayor’s Office of Housing and Community Development
1 South Van Ness St
San Francisco, CA 94103
415-701-5598

On or about October 14, 2015 the Mayor’s Office of Housing and Community Development (MOHCD) will authorize the San Francisco Housing Authority to submit a request to the United States Department of Housing and Urban Development, Office of Public and Indian Housing for authority to convert public housing at 2451 Sacramento Street, San Francisco, CA to funding under the federal Rental Assistance Demonstration Program (RAD) under the United States Housing Act of 1937, as amended and/or The Consolidated and Further Continuing Appropriations Act of 2012, Public Law 112-55.

The San Francisco Housing Authority seeks to convert public housing at 2451 Sacramento Street to funding under the federal Rental Assistance Demonstration Program (RAD) under the United States Housing Act of 1937, as amended and/or The Consolidated and Further Continuing Appropriations Act of 2012, Public Law 112-55. Conversion to RAD will create financially sustainable real estate assets with a minimum of 20-year useful life, improve resident experience, and ensure the sustainability of the City’s public housing infrastructure. Under RAD, the SFHA will transfer ownership and management of the building for rehabilitation by an affordable housing developer, in order to leverage additional private resources as allowed under RAD, and will convert public housing’s Annual Contributions Contract (“ACC”) public housing assistance to RAD project-based Section 8 vouchers (“PBVs”) for the existing ACC-assisted units. The development will receive increased rent subsidies while continuing to be 100 percent affordable for low-income households. A partnership will be created comprised of a non-profit housing corporation, and a Limited partner Tax Credit Investor to leverage additional funds for rehabilitation of the property. The Authority will ground lease the property to the partnership. The Authority expects to have a Right of First Refusal and Option to Purchase the buildings back from the partnership after the 15 year tax credit compliance period for outstanding debt plus exit taxes. The financing for the property will be a combination of tax-exempt bonds and tax credit equity. The tax credit equity does not have to be paid back provided the property continues to serve low income households, The Low Income Housing Tax Credit Program requirements remain in place for 55 years.

Upon transfer of title, the property will be continued to be used for the provision of housing for income eligible residents. Unit density will not change. Repairs to the various elements and systems listed below will be made and deferred maintenance items will be addressed.

Reconfiguration of the ground floor reconfiguration; Enclosure of lobby; Construction of new community room; Renovations to laundry, community kitchen, offices and public restrooms; Elevator modernization; Accessibility upgrades; Seismic Retrofit; Upgrades to electrical and mechanical systems; Sprinkler installation; Renovations to tenant units.

The activities proposed are categorically excluded under HUD regulations at 24 CFR Part 58 from National Environmental Policy Act (NEPA) requirements. An Environmental Review Record (ERR) that documents the environmental determinations for this project is on file at the
PUBLIC COMMENTS

Any individual, group, or agency may submit written comments on the ERR to the San Francisco Mayor’s Office of Housing and Community Development, located at 1 South Van Ness Avenue – 5th Floor, San Francisco, California 94103. All comments received by 5:00 P.M. P.S.T October 13, 2015 will be considered by the San Francisco Mayor’s Office of Housing and Community Development prior to submitting a request for the release of funds.

ENVIRONMENTAL CERTIFICATION

The City and County of San Francisco Mayor’s Office of Housing and Community Development certifies to HUD that Katha Hartley in her capacity as Deputy Director of the Mayor’s Office of Housing and Community Development consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. HUD’s approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the Mayor’s Office of Housing and Community Development to use Program funds.

OBSERVATIONS TO RELEASE OF FUNDS

HUD will accept objections to the Responsible Entity’s (RE) Request for Release of Funds and Environmental Certification for a period of fifteen days following the anticipated submission date specified above or its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of the Mayor’s Office of Housing and Community Development; (b) the Mayor’s Office of Housing and Community Development has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR part 58 or by CEQ regulations at 40 CFR 1500-1508, as applicable; (c) the Mayor’s Office of Housing and Community Development has omitted one or more steps in the preparation, completion or publication of the Environmental Assessment or Environmental Impact Study per 24 CFR Subparts E, F or G of Part 58, as applicable; (d) the grant recipient or other participant in the development process has committed funds for or undertaken activities not authorized by 24 CFR Part 58 before release of funds and approval of the environmental certification; (e) another Federal, State or local agency has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58, Sec. 58.76) and shall be addressed to Director, Public and Indian Housing, US Department of Housing and Urban Development, Region IX, One Sansome Street, Suite 1200, San Francisco, CA 94104-4430 to verify the actual last day of the objection period.

Katha Hartley, Deputy Director
Mayor’s Office of Housing and Community Development