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***** PRESS RELEASE *****

MAYOR LEE ANNOUNCES U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT APPROVAL OF SAN FRANCISCO PUBLIC HOUSING RE-ENVISIONING

City Receives HUD's Largest Rental Assistance Demonstration Program Award in Country to Help Leverage \$180 Million & Preserve up to 4,584 Public Housing Units

San Francisco, CA—Mayor Edwin M. Lee today announced that the Obama administration has approved San Francisco's public housing improvement plan, the largest such plan in the country, by approving a Rental Assistance Demonstration (RAD), that will help refinance and preserve up to 4,584 public housing units.

The U.S. Department of Housing and Urban Development (HUD)'s approval for San Francisco is a crucial first step in Mayor Lee's Public Housing Re-Envisioning Plan. Mayor Lee met yesterday with HUD Deputy Secretary Maurice Jones during the U.S. Conference of Mayors (USCM) 82nd Winter Meeting in Washington, D.C. to continue advocating for additional resources and assistance to improve public housing.

RAD is one of a number of federal resources that San Francisco has pursued in order to preserve its public housing stock and will leverage approximately \$180 million in investor equity and other new resources and allow for the rehabilitation of up to 4,584 public housing units.

"HUD's approval demonstrates confidence in our plan to re-envision public housing in San Francisco and paves the way for the preservation, rehabilitation and long-term viability of thousands of existing housing units for very low-income people," said Mayor Lee. "This innovative tool allows us to renovate public housing without displacing existing tenants and ensures that our public housing stock will be safe, clean and in good condition for our San Francisco families most in need."

"This innovative and cost-effective approach greatly enhances our ability to confront the decline of our public housing and older assisted housing stock," said HUD Secretary Shaun Donovan. "With the initial implementation of RAD, the Obama Administration has begun to demonstrate that public-private partnership can help preserve our nation's affordable housing and create jobs in the process."

"We're extremely grateful for the steadfast commitment from both our City and Federal partners to strengthen the Housing Authority's reform efforts and secure the future of public housing in our City," said San Francisco Housing Authority Commission President Joaquín Torres. "This approval provides a critical step forward to enhance the quality of life and living conditions for our residents and to preserve the existing affordability for the over 31,000 seniors, families, children, and individuals who call San Francisco public housing home."

This approval represents a crucial first step in a three-year process to preserve and rehabilitate up to 41 public housing developments that will improve and upgrade public housing stock for residents. This first step will likely protect San Francisco's public housing from future federal reductions in funding and will put public housing in San Francisco on a path to preserving the long-term viability of the public housing units and the sustainability of the developments as recommended in the Mayor's Public Housing Re-Envisioning Plan.

Published in July 2013, the Mayor's public housing plan was the result of 18 meetings attended by over 100 people representing more than 72 different organizations. These meetings, convened over four months, included a process led by City Administrator Naomi Kelly and the Mayor's Office of Housing Director Olson Lee in partnership with HUD to develop a new vision for public housing based on HOPE SF, a nationally-recognized model. HUD has agreed to partner with San Francisco to create this new vision.

The plan recognizes that in light of \$270 million in deferred capital improvements coupled with a severe decline in federal funding for public housing operation and repairs, the SFHA should enter into public-private partnerships in order to bring in additional resources needed to upgrade building conditions in the SFHA properties.

The RAD conversion and Mayor Lee's Public Housing Re-Envisioning Plan will:

- provide for the physical and economic viability of the developments for at least 20 years;
- improve the residents' quality of life through improved living conditions;
- utilize a public land trust model that ensures the long term affordability and oversight of the housing through a land lease structure;
- allow for the provision of supportive services and employment opportunities for residents; and
- convert 21 public housing projects comprising 2,141 units to RAD by June 21, 2015. 21 projects were given the initial approval and issued a Commitment to Enter into a Housing Assistance Payment Contract approvals, and include:
 - Holly Court – 100 Appleton Street
 - 227 Bay Street
 - Hunters Point East/West – 90 Kiska Road
 - 990 Pacific Street
 - 1880 Pine Street
 - 255 Woodside
 - 666 Ellis Street
 - Robert B. Pitts – 1150 Scott Street
 - 345 Arguello Street
 - 25 Sanchez Street
 - 462 Duboce Street
 - 491 31st Avenue
 - 939-951 Eddy Street
 - 430-440 Turk Street
 - Hunters View Phase IA – 112 Middle Point Road
 - Hunters View Phase IIA – 227 West Point Road
 - Bernal Dwellings – 3138 Kamille Street
 - Hayes Valley North – 401 Rose Street
 - Hayes Valley South – 401 Rose Street
 - Plaza East – 1300 Buchanan Street
 - North Beach Place – 455 Bay Street

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