

Sent: July 15, 2019 6:34 PM
From: kate.hartley@sfgov.org
Subject: RE: Your Evasive, Unclear Response, Kate — Re: RESPONSE DUE ON / PROMISED FOR MONDAY 7/8 — Re: IMMEDIATE DISCLOSURE REQUEST FOR PUBLIC RECORDS: 2015 Affordable Housing Bond Infrastructure in Public Housing
To: pmonette-shaw@earthlink.net, eugene.flannery@sfgov.org
cc: sunshinemohcd@sfgov.org, gloria.woo@sfgov.org

Mr. Monette-Shaw:

In response to your follow-up email, please see below.

Question: 1. You indicated that the Potrero Hope SF infrastructure scope description current contains 92 units of public housing in nine buildings. You did not however, make it clear whether those 92 current units are being demolished and whether 173 replacement units will actually be built using funding from the 2015 Housing Bond. If those 173 planned units are being funded by other sources of MOHCD funding, or perhaps from proceeds of the 2019 Affordable Housing Bond, why are they being included in the unit counts provided to CGOBOC? If you are not counting units in pre-development projects with the 2015 Bond, why are you padding the numbers with units in what appears to essentially be only infrastructure work for new roads, sewers, etc?

Answer: 92 units of existing housing at Potrero will be demolished. 173 units of new housing will be built on the site. Prop A GO bonds will only fund the infrastructure for those units. Because the infrastructure investment is large, and because the vertical construction is not possible without this investment, we are counting the the investment toward the total unit count produced. This is different from the predevelopment funding because those funds are such a small part of overall costs, i.e., predevelopment funding is typically \$3 million. Potrero infrastructure expenditures exceed \$20 million.

Question: 2. You also indicated that the Potrero housing unit count is "still moving, because design work continues." If they are still being "designed," how can you have indicated on June 19 that they are under construction (i.e., how can you be constructing something whose design work has completed)?

Answer: infrastructure work is under construction; the vertical developments are finalizing design.

Question: 3. Potential error in your July 8 reply: You indicated that the two Potrero infrastructure parcel would generate "between 180 and 110" units each.

Answer: My apologies for the typo. That should have read "between 90 and 110 units".

Question: 4. You indicated below that the Sunnydale HOPE *might* see 175 units, and that those units "*may start*" once construction of the infrastructure is complete. By your phrase "may start," that suggests that they might also NOT start. Again, are those 175 units being funded by other MOHCD funding sources other than the 2015 bond, and if so, why are you padding the total units counts of the 2015 Bond by including units that may be funded from other sources of funding?

Answer: apologies again; the Sunnydale section was not well phrased. Following demolition and infrastructure installation, new construction of housing will commence. The total unit count will be up to 175 units. The vertical construction of new housing will be funded from other sources. Like Potrero, the infrastructure investment here, over \$10 million, is significant enough to count the units.

All units at Sunnydale and Potrero are new units. None of the existing housing will be rehabbed. Using Prop A bond monies, we will produce 72 net new units at Potrerom (including funding for infrastructure and vertical

development), 55 net new units at Sunnydale (including funding for infrastrucgure and vertical development), and infrastructure only that supports up to 220 units at Potrero and 175 units at Sunnydale.

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