

FOR IMMEDIATE RELEASE

Mission Action's Statement on Marty's Place

Mission Action remains firmly committed to supporting the LGBTQ community and those living with HIV/AIDS. We are saddened that we have been unable to come to an amicable resolution to ensure all residents within Marty's Place are safe and treated with dignity and compassion. We place our trust in the judicial system to uphold Father Richard Purcell's intent to use the site as a refuge for individuals or young people with HIV/AIDS in ways that are inclusive, ethical, and compliant with all applicable fair housing laws.

Clarification on Recent Allegations

Regarding the unfounded allegations made by the leadership and board of Marty's Place Affordable Housing Corporation (MPAHC), we would like to clarify the following:

- **Property Management:** We are not currently the property manager, and no eviction process is in place. A sublease agreement designates the role of property management to MPAHC, and evictions fall under their purview.
- **Mission Alignment:** Father Purcell's intention was for a longstanding nonprofit organization, with a history of providing shelter, housing and wrap-around services to "homeless indigent individuals living with HIV/AIDS," to operate Marty's Place. Father Purcell selected our organization, Dolores Street Community Services (now Mission Action), to fulfill this mission. It is important to note that Father Purcell never envisioned or stipulated that Marty's Place should operate as a housing cooperative.
- **Ownership and Sublease:** Through the Aurora Foundation in September 2010, Father Purcell transferred the property at 1165 Treat Avenue and Marty's Place LLC to our organization. Litigation is being pursued to terminate the sublease agreement with MPAHC due to serious concerns raised by former tenants and stakeholders.

Financial Reserves Compliance

Mission Action is in full compliance with the Master Lease Agreement regarding financial reserves.

- Funds deposited into the Operating Reserve and Replacement Reserve come from rental income, which has significantly decreased due to a high vacancy rate.
- In 2022, we received \$46,789.17 from the SF Community Land Trust, comprising
- \$14,632.94 for the Operating Reserve and \$32,156.25 for the Replacement Reserve.
- Our organization undergoes extensive annual audits conducted by an external firm, ensuring transparency and accountability.

Litigation as a Last Resort

Legal action became necessary after exhausting all viable paths to resolution over several years. Mission Action is committed to upholding Marty's Place's mission. While evictions did occur during and after the COVID-19 pandemic, they were conducted solely by MPAHC, not Mission Action.

Ethical and Legal Concerns with MPAHC

Mission Action asserts that MPAHC has engaged in serious ethical and legal violations, including:

- Failure to file taxes and suspension of nonprofit status while accepting charitable donations.
- Violations of fair housing laws, the master lease agreement, and MPAHC bylaws.
- Failure to uphold its charitable mission in adherence to charitable trust doctrine.
- Non-adherence to housing criteria for individuals who are unhoused, extremely low-income, and living with HIV/AIDS.

Additionally, 4 or more of the 6 units (50% + vacancy rate), which can house as many as 8 individuals, at Marty's Place have been vacant since the pandemic highlights a significant underutilization of this vital community resource. This lawsuit is not seeking any legal action that would result in the eviction of the current two tenants.

Mission Action's Commitment to the LGBTQ Community

Mission Action is proud of its legacy serving the LGBTQ community, which includes:

- Launching Jazzie's Place, the first shelter designed specifically for members of the LGBTQ community in San Francisco.
- Managing the Richard M. Cohen Residence for individuals living with HIV/AIDS since the mid-1990s.
- Launching Arcoiris, a program providing culturally relevant food boxes weekly to low-income LGBTQ+ San Franciscans.

Looking Ahead

We ask for the community's patience as the legal process unfolds and encourage all interested parties to conduct their due diligence. Mission Action remains committed to transparency and ensuring Marty's Place fulfills its intended mission.

For further information, please contact press@missionaction.org or (415) 282-6209:

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