



Hunters Point Shipyard Phase 1 Blocks 52 & 54

Affordable Family Housing

Commission on Community Investment and Infrastructure

August 7, 2018

Current Request

Approval of HPS Phase 1, Blocks 52/54:

- Exclusive Negotiations Agreement
- Predevelopment Loan Agreement

Site Location



SURROUNDING LAND USE

	RESIDENTIAL
	COMMERCIAL+INDUSTRIAL
	PUBLIC + PARKS, OPEN SPACE

LAND USE

	RESIDENTIAL DENSITY I (15-75 UNITS PER ACRE)
	RESIDENTIAL DENSITY II (50-125 UNITS PER ACRE)
	RESIDENTIAL DENSITY III (100-175 UNITS PER ACRE)
	RESIDENTIAL DENSITY IV (175-285 UNITS PER ACRE)
	ARTIST (ART)
	COMMERCIAL (CM) (INCLUDES R&D, OFFICE, HOTEL)
	INFRASTRUCTURE / UTILITY (I / U)
	PARKING (SP)
	COMMUNITY USE (CU)
	EDUCATION (E)
	PARKS AND OPEN SPACE

* GROUND FLOOR NEIGHBORHOOD RETAIL / MAKER PDR SPACE IS ALLOWED ON ALL BLOCKS, PER THE D4D.

Background

- In HPS Phase 1, OCII will fund 218 units on 5 designated stand-alone affordable housing sites
- OCII-sponsored units will be subsidized through bonded tax increment funds
- RFP for Blocks 52/54 was the first offering for OCII-sponsored units to be developed in Phase 1

Request for Proposals (“RFP”) Process

- In September 2017, OCII issued an RFP for HPS Blocks 52 & 54
- RFP Goals
 - Maximize affordable housing opportunities
 - Maximize participation of Certificate of Preference Holders and Rent Burdened households
 - Balance excellence in architectural design with feasible costs
- Commission approval of developer selection March 20, 2018:
 - McCormack Baron Salazar and Bayview Hunters Point Multipurpose Senior Services
 - Mithun | Solomon as architect
 - John Stewart Company as property manager

Development Program

- Approximately 100 units of affordable family housing on the combined Blocks 52 and 54
- Serving households earning up to 50% of Area Median Income, including households at 30% and 40% AMI
- A mix of 1, 2, 3, 4, and 5 bedroom units
- 2 Family Childcare units (one at each block)
- Parking ratio of approximately 0.6/1 (exceeds OCII practice of .25/1)

Development Program cont.

- Ground Level Courtyard
- Open Air Lobby
- Community Room with Kitchen
- Fitness Room
- Teen Room
- Tenant Services Office and Conference Room
- Podium Garden and Courtyard
- Podium Laundry/Lounge adjacent to courtyard and “informal children’s play space”

Exclusive Negotiations Agreement

- The Exclusive Negotiations Agreement (ENA) includes:
 - Developer requirement to provide a Performance Deposit of \$10,000
 - Initial term of 18 months; extension up to a maximum of 12 months
 - Milestones:
 - Submission of a preliminary financing plan and schematic design drawings acceptable to OCII
 - Identification of a general contractor to obtain a cost estimate
 - Submission of design development documents and cost estimates
 - Execution of Ground Lease

Predevelopment Loan Agreement

- Loan amount = \$4M
- Terms include: 3% simple interest rate, conversion to a permanent loan at construction closing
- Loan conditions include:
 - Developing a financing plan by January 11, 2019
 - Prioritizing cost containment during all phases of the Project
 - Developing a services plan and budget
 - Outreaching to the Hunters Point Shipyard community

Predevelopment Loan Activities

- Design development
- Program development
- Survey and engineering
- Financing
- No construction to occur during predevelopment period (prior to 2020)
 - No site work to occur prior to completion of the survey testing and release of final report

Community Outreach To Date

- Hunters Point Shipyard Citizens Advisory Committee
 - CAC Housing Subcommittee June 2017 - Announce RFP
 - CAC Full Committee July 2017– Announce RFP
 - CAC Housing Subcommittee January 2018 – Update
 - CAC Full Committee February 2018 – Developer team recommendation
- Evening meeting with Hilltop homeowners: September 13, 2017
- OCII Commission
 - September 2017 – Announce RFP release
 - March 2018 – Developer selection recommendation

Marketing Process

- HPSY / CP Preferences
 - COP holders
 - Displaced tenants
 - Rent burdened
 - San Francisco residents or workers
 - General public
- Developers will work with OCII to develop an Early Outreach and Marketing Plan
 - Rental readiness counseling, technical assistance, and marketing/ application collection process
 - COP Outreach Obligation report

Contracting and Workforce Compliance

- Contracting
 - RFQ for professional services released in June
 - Responses were due on July 25th; development team will work with OCII Contract Compliance team to evaluate responses and create short list of firms for interviews
 - Development team will explore joint venture or similar partnership between general contractor and an OCII-recognized SBE contractor to extent economically feasible and practicable
- Workforce
 - Development team will work closely with OCII Contract Compliance team to ensure local hiring goals are met

Tentative Development Schedule

- Spring 2019 – Schematic Design approval
- Fall 2019 – return to Commission to request gap financing
- Fall 2019– apply for tax credits and bond allocation
- Spring 2020 – return to Commission for Ground Lease approval
- Spring 2020 – close financing / construction begins
- Spring 2022– construction completed

Questions/Comments

Block 52 Friedell St Elevation Concept



FRIEDEL STREET ELEVATION

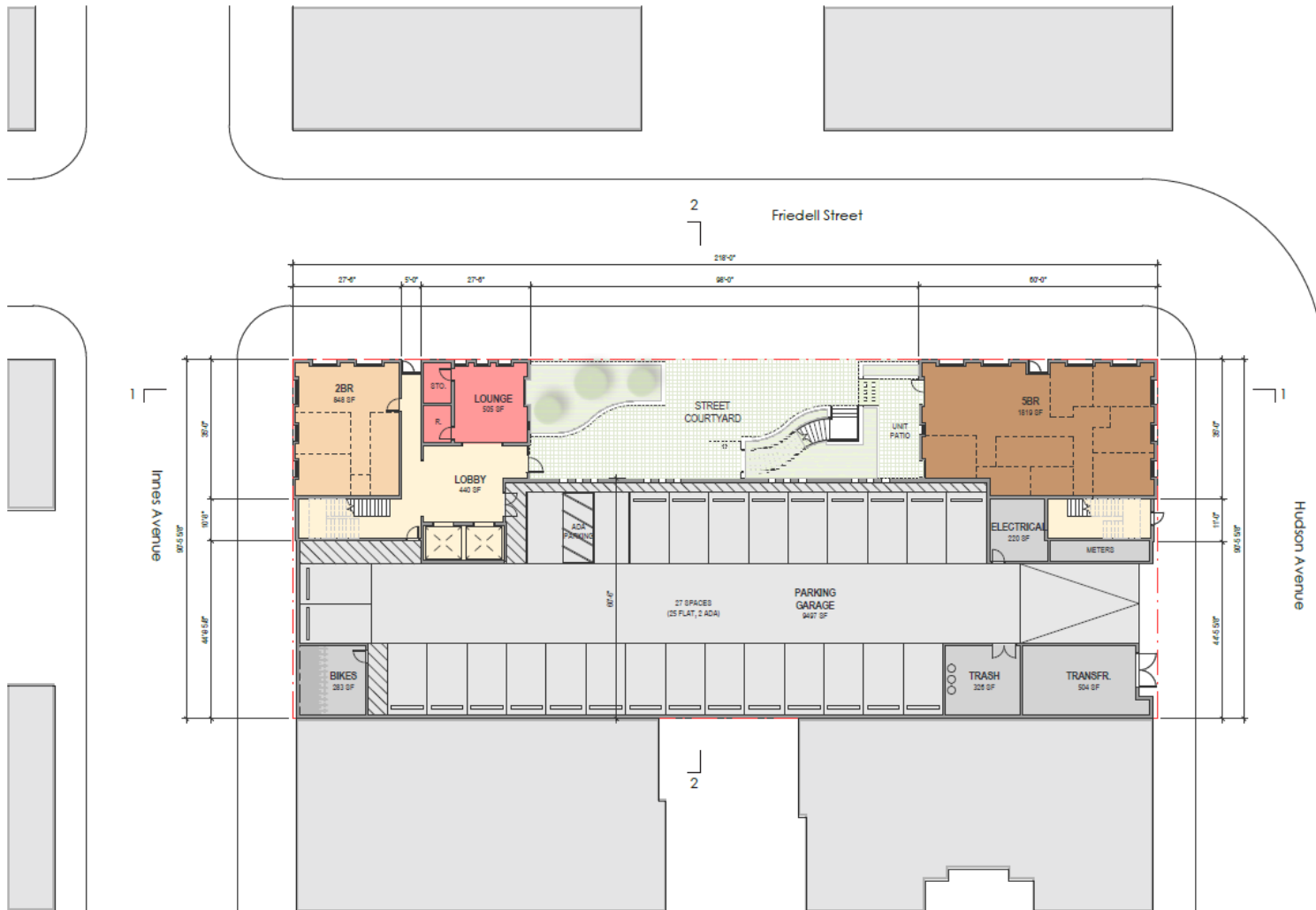
Block 54 Friedell St Elevation Concept



MBS/BHPMSS Site Plan Concept Block 52



MBS/BHPMSS Site Plan Concept Block 54



Developer Selections Since Dissolution

Post Dissolution - 100% Affordable Parcels Across all Project Areas- Developer Selections					
Developer	Project Name	Affordable Units	Housing Type	Neighborhood	Year Selected
Essex with TMG / BRIDGE Housing	Transbay Block 9	109	Family Rental	Transbay	2014
Related / Tenderloin Neighborhood Dev Corp.	Transbay Block 8	150	Family Rental	Transbay	2014
Related / Chinatown CDC	588 Misison Bay Blvd N (Block 7W)	200	Family Rental	Mission Bay So.	2014
Tenderloin Neighborhood Dev Corp.	626 Mission Bay Blvd N (Block 6E)	143	Family Rental	Mission Bay So.	2014
Chinatown CDC / Swords to Plowshares	MBS Block 3E	119	Veterans / Family Rental	Mission Bay So.	2016
San Francisco Housing Development Corporation / Mercy Housing California	Candlestick Point 11a	176	Family Rental	Candlestick Point South	2016
Tenderloin Neighborhood Dev Corp. /Young Community Developers	Candlestick Point 10a	156	Family Rental	Candlestick Point North	2016
Mercy Housing California	MBS Block 6W	152	Family Rental	Mission Bay So.	2017
BRIDGE Housing / Community Housing Partnership	MBS Block 9	141	Formerly homeless	Mission Bay So.	2017

 Denotes community based developer