



Mission Bay South Block 6 West



Commission on Community Investment and Infrastructure

February 21, 2017

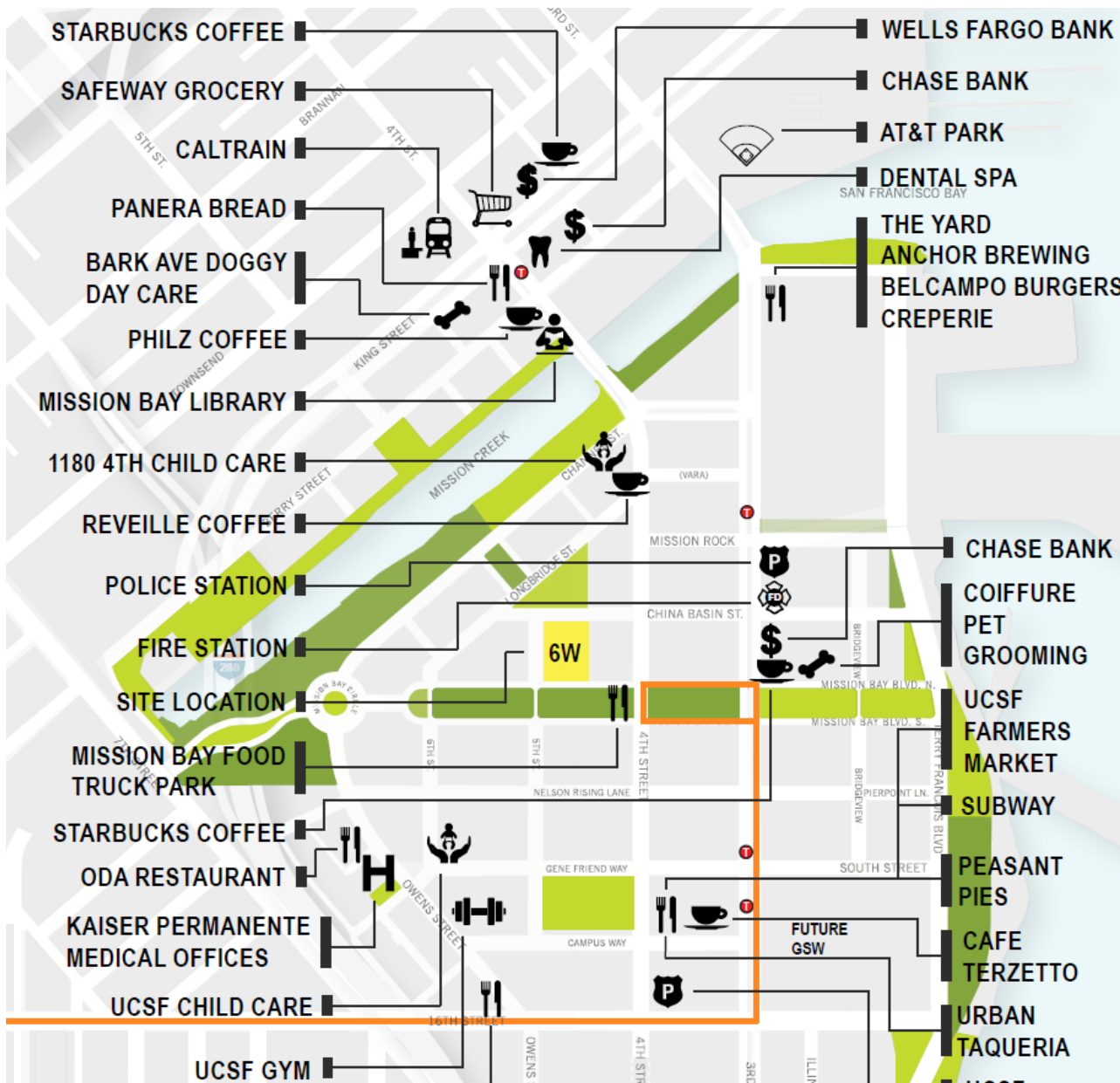
Current Request

- Selecting a team comprised of developer and property manager Mercy Housing and architect Paulett Taggart Architects for Block 6W in the Mission Bay South Project Area

Mission Bay Context Map



Site Amenities



 MUNI T- Third Street Stop

 MUNI 55 Local Service

 Site location

 Completed Open Space

 Future Open Space

MISSION BAY AMENITIES

MARCH 2016



Background

- **September 17, 1998: SFRA Commission approved Mission Bay North and South Redevelopment Plans and Owner Participation Agreements**
 - The OPAs provide for the development of 6,514 residential units, with 1,916, or nearly 30%, set aside as affordable
 - In Mission Bay North, 698 inclusionary and OCII-sponsored affordable units are complete
 - In Mission Bay South, 150 affordable units are complete with another 1,068 planned or under construction
 - Remaining affordable housing units are being/will be developed by nonprofit housing developers
 - MB Affordable Housing Policy establishes affordability at levels up to 60% of Area Median Income (AMI). (Family of 4 at 60% AMI = \$64,600)

Background Cont'd

- **OPA requires master developer to submit overall plans for development in “Major Phases” for particular blocks (including: commercial and residential developments, public infrastructure, and parks)**
- **Major Phase is required as part of the entitlement process for each development**
- **MBS 6W was initially approved as part of the Major Phase application for Blocks 2 - 7 and 13 in 2005**
 - **Confirms the site as an affordable housing site**

Request for Proposals

- **Summer of 2016 - OCII staff issued a Request for Proposals (“RFP”) for MB South Block 6W**
- **Notification of the RFP was provided to community groups, Small Business owners, developers and other community stakeholders through OCII’s Citizen Advisory Committees and OCII’s and the Mayor’s Office of Housing and Community Development’s (“MOHCD”) RFP/RFQ interest email lists and advertisements were placed in neighborhood publications across the City and in multiple languages**

Request for Proposals Cont'd

- **OCII sought submittals from applicant teams comprised of:**
 - **A “Qualified Housing Developer,” defined through the MBS OPA as “a non-profit organization, governmental or quasi-governmental agency or a limited partnership in which one of the general partners is a non-profit organization”**
 - **An architect and a**
 - **property manager,**
- **A supportive services provider would be determined at a later date**

Development Program

- **Rental housing affordable to low-income families and a to-be-determined special needs population**
 - 80% of the units affordable to families at 60% of AMI, with tiering below 60% (50%, 40%, etc) to serve lower income COP holders. (Family of 4 at 60% AMI = \$64,600)
 - 20% of the units will be set aside for either formerly homeless or households permanently relocating from public housing undergoing revitalization through the City's HOPESF project and restricted at no more than 30% AMI (Single individual at 30% AMI = \$22,600)
- **A number of units determined by the developer (within the Design for Development height limits, etc)**
- **Mix of 1- 2- and 3-bedroom units (50% 2-bedroom units)**
- **Ground floor childcare facility for at least 40 childcare spots**
- **On-site parking**

RFP Submittals

- **BRIDGE Housing (“BRIDGE”) with David Baker Architects**
- **Chinatown Community Development Corporation and Related California (“CCDC & Related”) with Fougeron Architects; for this partnership, the developer fee split would be 40% CCDC / 60% Related, with CCDC keeping long-term ownership of the project**
- **McCormack Baron Salazar & Young Community Developers (“MBS & YCD”) with Mithun | Solomon; for this partnership, the developer fee split would be 90% MBS / 10% YCD, with MBS keeping long-term ownership of the project**
- **Mercy Housing California (“Mercy”) with Paulett Taggart Architects**
- **Tenderloin Neighborhood Development Corporation (“TNDC”) with Pyatok Architects**

RFP Submittals cont.

- **OCII staff verified completeness of submittals**
- **All five applicants were interviewed**
- **Panel included representatives from:**
 - **Member from Mission Bay Citizens Advisory Committee**
 - **OCII Staff: Project Management, Housing and Design Review**
 - **Mayor's Office of Housing and Community Development**

RFP Selection Criteria

<u>POINTS</u>		<u>CRITERIA</u>
55		Proposed Development Concept
	25	Proposed Massing Concept: strength and constructability of proposed massing concept, number of units, conformance with the OPA, Major Phase, and the Design for Development
	20	Financial Feasibility & Level of OCII Subsidy
	10	Proposed Marketing Plan
45		Developer Team Experience and Capacity
	10	Developer experience in developing and marketing affordable housing <u>comparable</u> to the housing proposed in this RFP
	5	Developer experience with government assisted affordable housing programs and financing sources and/or “green” housing; Developer Workload Capacity
	10	Workforce and Contracting Action Plan
	10	Architect experience & capacity, including “green” housing
	10	Property Manager experience & capacity
100	100	Total Points

OCII Staff Recommendation

Team	Average Score
Mercy Housing	97
Team 2	96
Team 3	92

Mercy Proposal Details

Number of units	140 including one manager's unit (104 tax credit units, 35 special needs units)
AMI Tiering	104 tax credit units: 14% (15 units) at 25% TCAC AMI; 42% (44 units) at 50% TCAC AMI; 42% (45 units) at 60% MOHCD AMI
Parking	28 spaces plus 2 car share spaces (0.20 ratio); 1:1 bike storage
Amenities Space	Ground Floor Courtyard Ground Floor Multipurpose Room / Teen Room Ground Floor Community Room and Kitchen Podium Level Courtyard 2 nd and 6 th Floor Outdoor Space
Childcare Space	~5,600 sq ft interior space; ~3,200 sq ft outdoor space
Additional Space	~1,000 sq ft for nonprofit community use (Blue Bear School of Music)

Scoring Highlights of Mercy Proposal

■ Design and Massing

- Met the D4D guidelines well
- Generous amount of shared amenities space
- Inclusion of additional community space - Blue Bear School of Music

■ Financial Feasibility

- Proposal included an alternative financing scenario in the event state financing no longer available
- Strong financing narrative

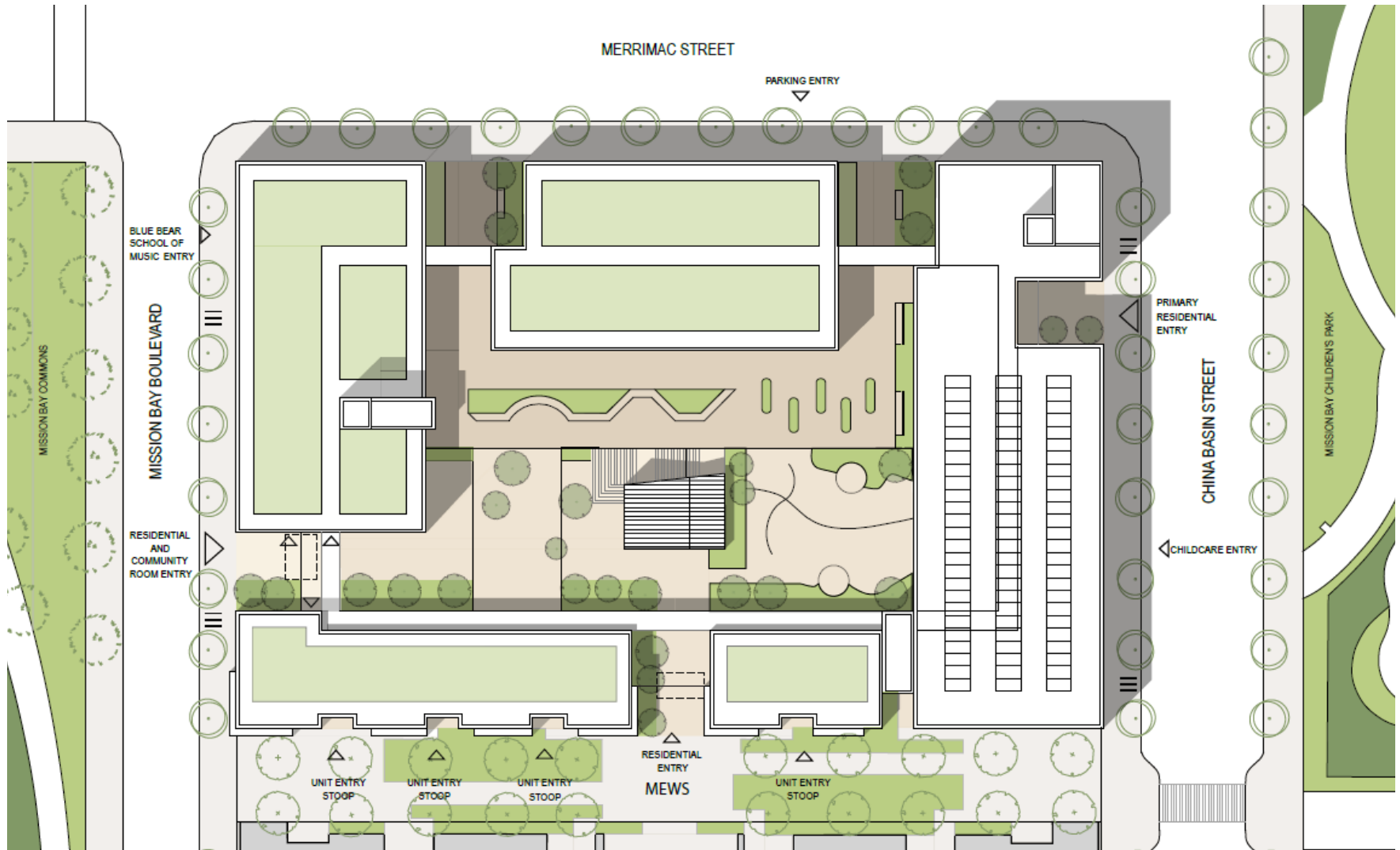
■ Affordability and Income Tiering

- Only team to include units at below 40% AMI (lowest units at 25% AMI)

Community Support

- **A Mission Bay Citizens Advisory Committee member was an Evaluation Panel member: reviewed RFP submittals, participated in the interviews for each team, scored each team**
- **February 9, 2017 staff presented Mercy as the recommended developer to the Mission Bay Community Advisory Committee; there were no objections**

1st Floor Plan



View from China Basin Street



View from Merrimac Street



View from Mission Bay Boulevard North



View from Pedestrian Mews



Parking at MBS 6W

- **Parking lot with controlled access parking for 28 vehicles, plus two car share spaces**
- **Consistent with other 100% affordable OCII sites in Mission Bay where parking ratios which range from 0.2 spaces per dwelling unit to 0.38 spaces per dwelling unit**
- **140 bicycle parking spaces in protected room**
- **Site located within 3 blocks of the Muni T at Mission Rock Street**

Equal Opportunity Program

- **Mercy has achieved 43.8% SBE participation on professional services and construction contracts on 100% affordable OCII projects**
- **When issuing an RFP for general contractors, Mercy will include the requirement of exploring joint venture opportunities with local SBEs**

Schedule

- **Summer 2017 – ENA and Predevelopment loan approval**
- **Fall/Winter 2017 – Schematic Design approval**
- **Spring 2018 – return to Commission to request gap financing**
- **Summer 2018 – apply for Tax Credits and for a bond allocation**
- **Fall 2018 – return to Commission for ground lease approval**
- **Spring 2019 – close financing/construction begins**
- **Spring 2021 – complete construction**

QUESTIONS AND ANSWERS

