

118-0192017-002

Meeting of August 1, 2017

INFORMATIONAL MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Nadia Sesay, Interim Executive Director

SUBJECT: Dr. Davis Senior Residence (1751 Carroll Avenue) Marketing Outcomes Project Report; Bayview Hunters Point Area

EXECUTIVE SUMMARY

The OCII Commission considered and approved a Memorandum of Understanding ("MOU") between OCII and the Mayor's Office of Housing and Community Development ("MOHCD") on May 6, 2014. The MOU provided a framework for MOHCD to provide implementation of the funding, approvals, and management of the Retained Housing Obligations, as well as the terms for transferring completed housing assets to MOHCD as the Housing Successor. Pursuant to the MOU, MOHCD will provide a Marketing Outcomes Project Report ("Project Report") after the full lease-up of each affordable project.

Attached is the Marketing Outcomes Report for the lease-up of Dr. Davis Senior Community (1751 Carroll Avenue), which was identified as the first phase of off-site housing for qualified Alice Griffith public housing residents. Therefore, the Dr. Davis Senior Community prioritized qualified Alice Griffith residents who wanted to live in a senior housing environment and have greater access to senior services. The Dr. Davis Senior Community is comprised of 120 very low-income senior multifamily rental units and one manager's unit, and was developed by a partnership consisting of McCormack Baron Salazar and Bayview Hunters Point Multipurpose Senior Services, Inc. The report includes: general project information (i.e., type of affordable units, Area Median Income levels, and occupancy preferences); an ethnic and racial breakdown of successful applicants; the location where applicants previously lived; and, the number of Certificate of Preference ("COP") applicants and their success rates in securing housing at the Dr. Davis Senior Housing site.

A Marketing Outcomes Report for a separate project, 72 Townsend, is being provided under separate cover also dated August 1, 2017. Unlike 72 Townsend, COP interest at Dr. Davis Senior Residence was very strong. A total of 74 COP holders applied for this housing opportunity, and 22 COP holder households are now housed at the Dr. Davis Senior Residence. This interest may be attributable to:

- this is a senior only housing opportunity (a majority of COP holders are seniors)
- having a thriving senior center facility next door

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- all units at Dr. Davis Senior Housing have Project Based Section 8 rental subsidy to assist extremely low-income senior COP holders
- location in the Bayview community where there has been a high demand for this type of housing opportunity
- strong outreach efforts by the non-profit developer partner Bayview Hunters Point Multipurpose Senior Services, Inc. (Cathy Davis and her staff) to enroll COP individuals and assist COP holders to submit applications

(Originated by Pamela Sims, Senior Development Specialist – Marketing and Certificate of Preference Liaison)



Nadia Sesay
Interim Executive Director

Attachment 1: Marketing Outcomes Project Report

Mayor's Office of Housing and Community Development
City and County of San Francisco

ATTACHMENT 1



Edwin M. Lee
Mayor

Kate Hartley
Acting Director

On May 6, 2014, the Office of Community Investment and Infrastructure ("OCII") Commission considered and approved the Memorandum of Understanding ("MOU") between OCII and the Mayor's Office of Housing and Community Development ("MOHCD"). The MOU requires a Marketing Outcomes Project Report subsequent to the initial lease-up for each OCII affordable housing development. The report for 1751 Carroll Avenue – Dr. George W. Davis Senior Housing follows.

Marketing Outcomes Project Report
July 3, 2017

Project name	Dr. George W. Davis Senior Housing and Senior Center
Project location	1751 Carroll Avenue
Project sponsor	Carroll Avenue Senior Homes, LLC McCormack Baron Salazar (MBS) Bayview Hunters Point Multipurpose Senior Services Center (BHPMSS)
Project tenure	100% affordable
Population type	Senior housing
Total number of units	121
Total number of affordable units	120 117 – 1 bedroom 3 – 2 bedroom 1 managers unit
Total number of applicants	4,126
Affordability level(s)	30% and 50% Area Median Income
Marketing start date	October 3, 2015
Construction completion date	May 24, 2016
100% Lease-up date	November 28, 2016
Occupancy preferences	1. Elderly Existing Alice Griffith Residence 2. COP holders – Bayview Hunters Point 3. COP holders – Western Addition

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	4. Ellis Act Housing Preference Program 5. San Francisco District Attorney Referrals 6. Public Housing Residents Emergency Transfer 7. Rent Burden or Assisted Housing Residents 8. Homeless In Permanent Supportive Housing 9. Involuntary Displacement from residence in SF 10. Homeless in SF 11. Substandard Non-Homeless in SF 12. Resident in SF paying more than 70% of household income in rent
How many COP holders applied through the Housing Authority	74
How many COP holders were referred to MBM from the Housing Authority	36
How many COP Holder were housed	26 (22% of total units) 18 Hunters Point 8 Western Addition
Of the 26 COP holders housed, what was their city of origin	20 – San Francisco 2 - Oakland 2 - Sacramento 1- Fresno 1- Redwood City
What happened to the 38 COP Holders that were not referred to MBM?	13 – Under Age 23 – No Response/No Show/Withdrew 1- Over Income 1- Exercised COP certificate at another senior building
What Happen to the 10 COP Holders that were not housed through MBM	6- Withdrew/Decided not to move 2- Over Income 2- No Show-Missed two or more Interviews
Total Number of People Housed at Dr. Davis	124

Background

The development of Dr. George Davis Senior Community was truly a collaborative effort. In September 2010, the SFRA purchased the 64,369 square foot (1.47 acre) lot in the Bayview neighborhood and subsequently entered into a loan agreement with the project sponsors, Bayview Hunters Point Multipurpose Senior Services, Inc. (“BHPMSS”) and McCormick Baron Salazar.

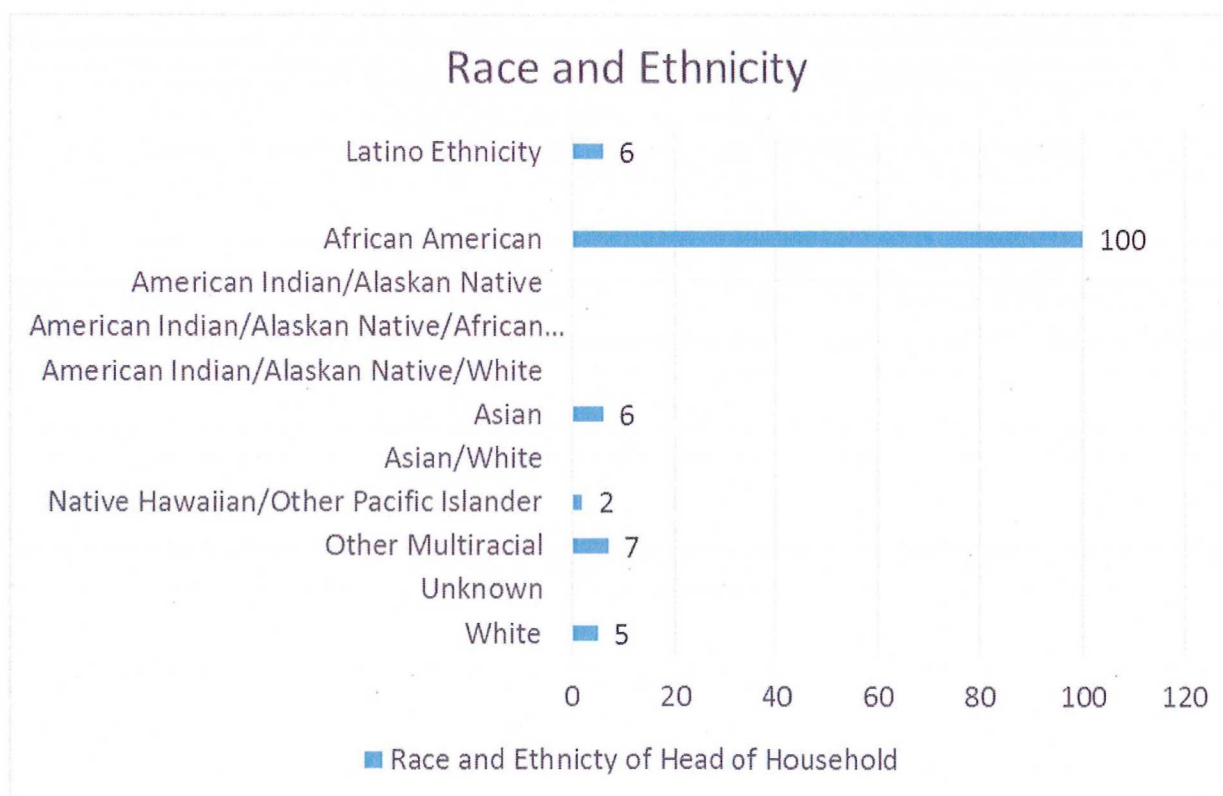
OCII required that a portion of the units be set aside for 23 referrals from the Department of Public Health for homeless individuals from the Direct Access to Housing Program (“DPH-DAH”). The project sponsor lead by Cathy Davis, worked tirelessly to ensure that homeless seniors that live in the Bayview have access to this housing opportunity by providing referrals to DPH-DAH and connecting homeless seniors.

Additionally, the units at Dr. Davis Senior Community were also used as “off-site” relocation for Alice Griffith residents. Redevelopment of Alice Griffith exposed the fact that many of the residents in the family housing were now seniors who were over housed having raised their families in 3 and 4 bedroom units in which they now lived alone. These seniors would not be able to move back into the newly constructed Alice Griffith in similar sized units and needed senior subsidized housing.

During the predevelopment period, with Cathy Davis at the lead, the sponsors secured from the San Francisco Housing Authority ("SFHA"), 120 Project Based Section 8 subsidies for the property because they knew many of the seniors in the community were on fixed incomes and couldn't live in this development without some type of rental subsidy. The SFHA subsidy was a great win for the project however, it did not come without complication. The SFHA required the application of their own policies and procedures for housing preferences (final preferences shown on pages 1 and 2 of this report), tenant selection, and lease up which required all stakeholders' coordination.

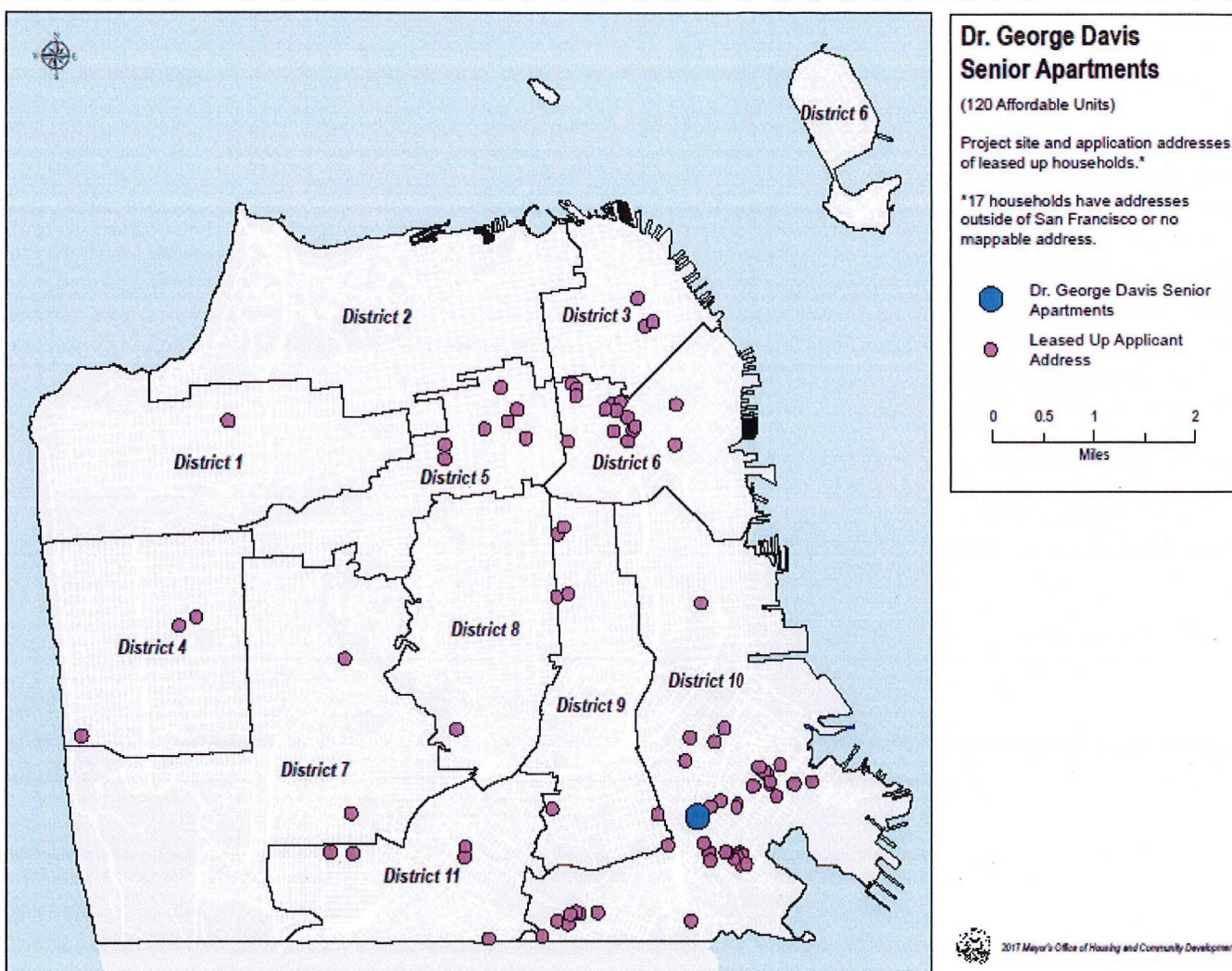
Dr. Davis Senior Community Lease-up Demographics

MOHCD uses the same categories as HUD to identify race and ethnicity demographics among applicant head of households. Each applicant is asked to identify a race and they are also asked if they are of Latino ethnicity. 83% of the successful applicant households at Dr. Davis identify their race as African American. 5% identified their race as Asian, 4% White, and 6% identified as other multiracial. With regard to ethnicity, 5% of the head of household's identified as Latino.



Location of Origin of Successful Applicants

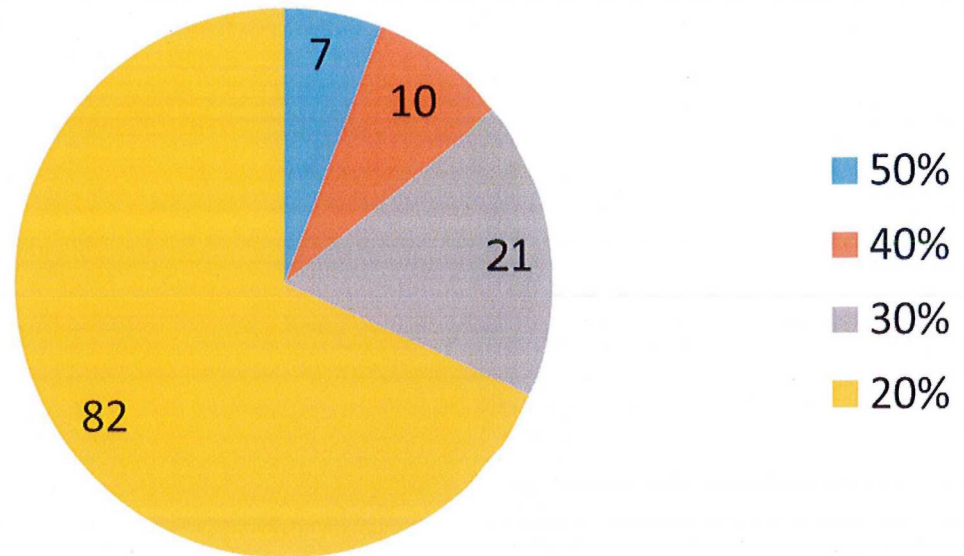
Not surprisingly, most successful applicants originated from District 10 followed by District 6. 41% of the new tenants were originally from District 10 and 12% were from District 6. These outcomes were in large part due to the vigorous community outreach spearheaded by Cathy Davis and her BHPMSS team of housing professionals. The balance of the Supervisorial Districts had at least one successful applicant with the exception of District 2. Because of the OCII marketing and lease up requirements, 17 households hailed from outside of San Francisco. However, it is important to note that 6 of the 17 households were COP holders who were able to return to San Francisco.



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Average % of Area Median Income

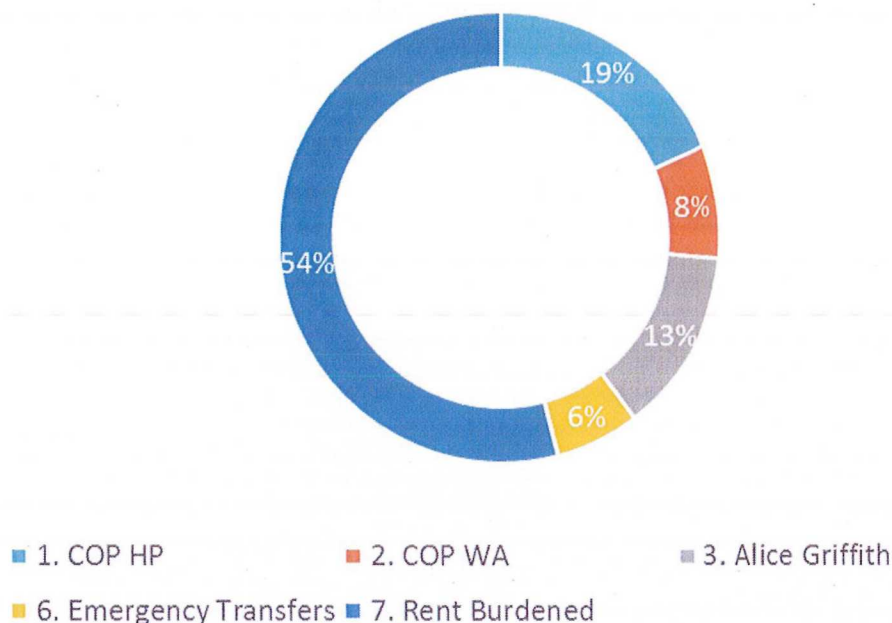


Because of the SFHA rental subsidy, renters at Dr. Davis Senior Community pay only 30% of their income for rent, and, therefore the project is able to serve much lower income households. 68% of residents have incomes lower than \$14,270 per year.

Affordable Housing Lottery Preferences and Lease up

A total of 4,126 households applied to Dr. Davis Senior Community for 97 units of multi-family senior housing. Twenty-three units were set aside to be filled through the DPH-DAH program. Because of HUD regulations the entire application, housing preference, lottery, and initial review process was primarily conducted by the SFHA. After their initial evaluation of applicants in preference order to meet SFHA tenant selection criteria, SFHA sent approved potential tenants to McCormack Baron Management ("MBM") for evaluation per their tenant selection criteria. SFHA referred 153 applicants to MBM to fill the 97 units and reported that no EAHP or District Attorney referrals applied for the affordable housing opportunity. In addition to the preferences identified below, all other applicants will be added to the waitlist per the other SFHA preferences.

Residents by Housing Preference



During the marketing and lease-up of Dr. Davis Senior Community, OCII held weekly meetings with the various stakeholders to coordinate outreach and referrals and to evaluate how the process was working and how it could be improved. The SFHA and MBM were not accustomed to working in a collaborative manner to lease up a building so these meetings proved to be vital to the success of the project. BHPMSS greatly appreciated this process as they were able to step in and advocate on behalf of applicants on several occasions.

Success Stories

While there were many challenges to coordinating so many cooks in the kitchen, Dr. Davis Senior Community is a beautiful, lively, much needed and loved community in the Bayview neighborhood. Dr. Davis himself would be very proud of the efforts of so many agencies and community members to see his dream of sustainable senior housing come to reality. Here are a few stories from some of the happy residents:

Mr. Brown is an artist who lived in his van before coming to the Dr. George Davis Senior Community. He often went to the senior center at 1706 Yosemite asking about housing. With the help and support of his case manager, he was selected for one of the DPH-DAH units. Now he has his own place to work on his art as well as share his art experience with participants at the Senior Center located in the building. He goes downstairs for lunch, plays pool and volunteers to teach an art class. Mr. Brown's new housing has provided stability and improved his ability to live his purpose as an artist.

Mr. Green had a picture of the Dr. George Davis Senior Community on his lap top computer after he applied for housing. He was living in an SRO in the Tenderloin where he waited to be called. Unfortunately, MBM had a bad telephone number for Mr. Green and when he didn't respond to a letter mailed they were about to move on to the next applicant. A staff member of BHPMSS went to his address and found him to inform him that he needed to show up for his interview. When he moved into the Dr. Davis Senior Residence he did not have any furniture, so BHPMSS provided him with a fully furnished apartment. Now he has his own space with new furniture and a new lease on life. He is participating in wellness classes and learning how to live a healthier lifestyle. You can find him zooming around the neighborhood in his electric wheelchair, greeting his neighbors and sharing stories.

Mr. White, a longtime resident of Bayview, was couch surfing at his mother's house, unable to find housing. One of his friends told him about the Certificate of Preference program and he found out that he was eligible. He applied for Dr. Davis Senior Community and now he lives with many of his friends from "back in the day". He volunteers to clean up around the building and looks out for the more frail seniors who need someone to speak up for them. Everyone loves his positive energy and he contributes to the feeling of community with his neighbors. Recently he received a free laptop from COMCAST and he is learning about how to use the internet.

Mr. Black was a previous resident of Alice Griffith who was behind in his rent. With the help of Urban Strategies, Bayview Legal and Bayview Senior Connections his case was settled and he became eligible to move into the Dr. George Davis Senior Residence. He never had any money by the middle of the month until he became a money management client when he moved to his new home. Now his rent is paid on time, people are not taking his money and he is getting support from his case manager to reduce his dependence on alcohol. He is engaging in some activities and goes to the community room to watch sports with his neighbors.