

118-0322018-002

Agenda Item **No. 8(a)**
Meeting of November 6, 2018

INFORMATIONAL MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Nadia Sesay, Interim Executive Director

SUBJECT: Marketing Outcomes Project Report; 2500 Arelious Walker Drive (Alice Griffith Phase 3), for a recently completed 122-unit HOPE SF affordable housing rental multifamily development, including 93 public housing replacement units, 28 affordable housing rental units, and one manager's unit; Bayview Hunters Point Redevelopment Project 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.

London N. Breed
MAYOR

Nadia Sesay
EXECUTIVE DIRECTOR

Marilyn Mondejar
CHAIR

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Dr. Carolyn Ransom-Scott
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Darshan Singh
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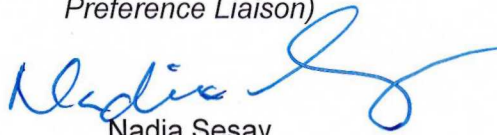
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Attached is the Marketing Outcomes Report for the lease-up of 2500 Arelious Walker Drive (Alice Griffith Phase 3), which is the third phase of the redevelopment of the Alice Griffith public housing units. Alice Griffith Phase 3 is comprised of 122 one, two and three-bedroom units, plus one manager's unit, and was developed by McCormack Baron Salazar ("MBS") in partnership with the San Francisco Housing Development Corporation ("SFHDC"). A total of 93-units are occupied with Right-to-Return Households from the Alice Griffith public housing property. The attached Report provides information on the successfully housed applicants occupying the 28 affordable housing units, including: general project information (i.e., type of affordable units, AMI 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") holder applicants.

A total of 4,445 households applied, and twelve of the applicants were COP holders who live in San Francisco, Sacramento, Pittsburg, Newman and Spokane, Washington. Two COP holders (both were already living in San Francisco) were successful applicants. Additionally, 36 applications received were from households who were previously housed at Alice Griffith but had moved away. These households receive a preference to move back to the redeveloped Alice Griffith if they choose. A total of 17 former Alice Griffith residents are now living at the redeveloped site.

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



Nadia Sesay
Executive Director

Attachment A: Marketing Outcomes Project Report

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



London N. Breed
Mayor

Kate Hartley
Director

On May 6, 2014, the 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 2500 Arellio Walker Drive – Alice Griffith Phase 3 follows.

Marketing Outcomes Project Report
October 19, 2018

Project Name	Alice Griffith Phase 3 (3A & 3B)
Project Location	2500 Arellio Walker Drive, San Francisco, CA 94124
Project Sponsor	McCormick Baron Salazar, Inc. McCormick Baron Management
Project Tenure	100% affordable
Population Type	Family housing
Total Number of Units	122
Break Down of Units by Type	93 public housing replacement units 1 managers unit 28 Lottery units: • 12 – 1 bedroom • 13 – 2 bedroom • 3 – 3 bedroom
Total Number of Applicants for 28 Lottery Units	4,445
Affordability level	50% Area Median Income
Marketing start date	December 1, 2017

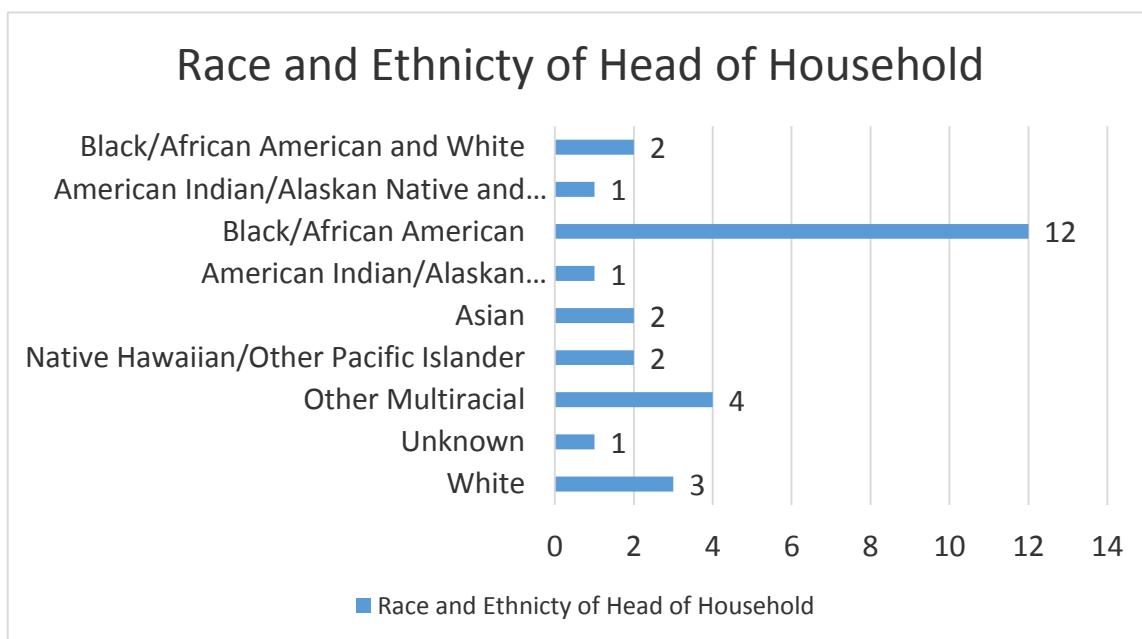
Construction completion date	November 20, 2017
100% Lease-up date	August 17, 2018
Occupancy preferences	1. Residents of Alice Griffith Housing 2. COP Bayview Hunters Point 3. COP Western Addition 4. Rent Burdened or Assisted Housing Residents 5. Displaced Tenant Housing Preference 6. Live or work in San Francisco 7. Members of the General Public
How many COP holders applied?	12
How many COP holders were housed?	Two: 1 Hunters Point 1 Western Addition
Of the 2 COP holders housed, what was their city of origin?	San Francisco
What Happen to the 10 COP Holders that were not housed?	4- Over income 1- Under income – applicant currently lives in subsidized housing 1- Unresponsive 1 - Deceased prior to lease up 1 - Declined 2- Requested to be on the waitlist
Total Number of People Housed in the 28 lottery units at Alice Griffith Phase 3	83 30-Children 0-Seniors 55+

Background

Alice Griffith Phase 3 includes 28 affordable tax credit units (plus one manager's unit) and 93 public housing replacement units, for a total of 122 affordable housing units ranging from one-bedroom to four-bedrooms. The design of Phase 3 has many of the same stylistic details as the design of Phases 1 and 2. Additionally, Phase 3 was intentionally designed to meet the diverse needs of families with 122 units, ranging from two-bedroom to four-bedroom flats to three-bedroom townhomes. There is a podium structure with a landscaped courtyard which provides direct access to many of the units. Vegetation and age appropriate structures define multi-generational gathering spaces. Parking is provided in the podium structure, for vehicles and bicycles. Keeping with the design of the pedestrian oriented residential neighborhood, two and four bedroom units wrap the podium, creating porches and stoops. Construction began in February 2016, and construction completion was on November 20, 2017

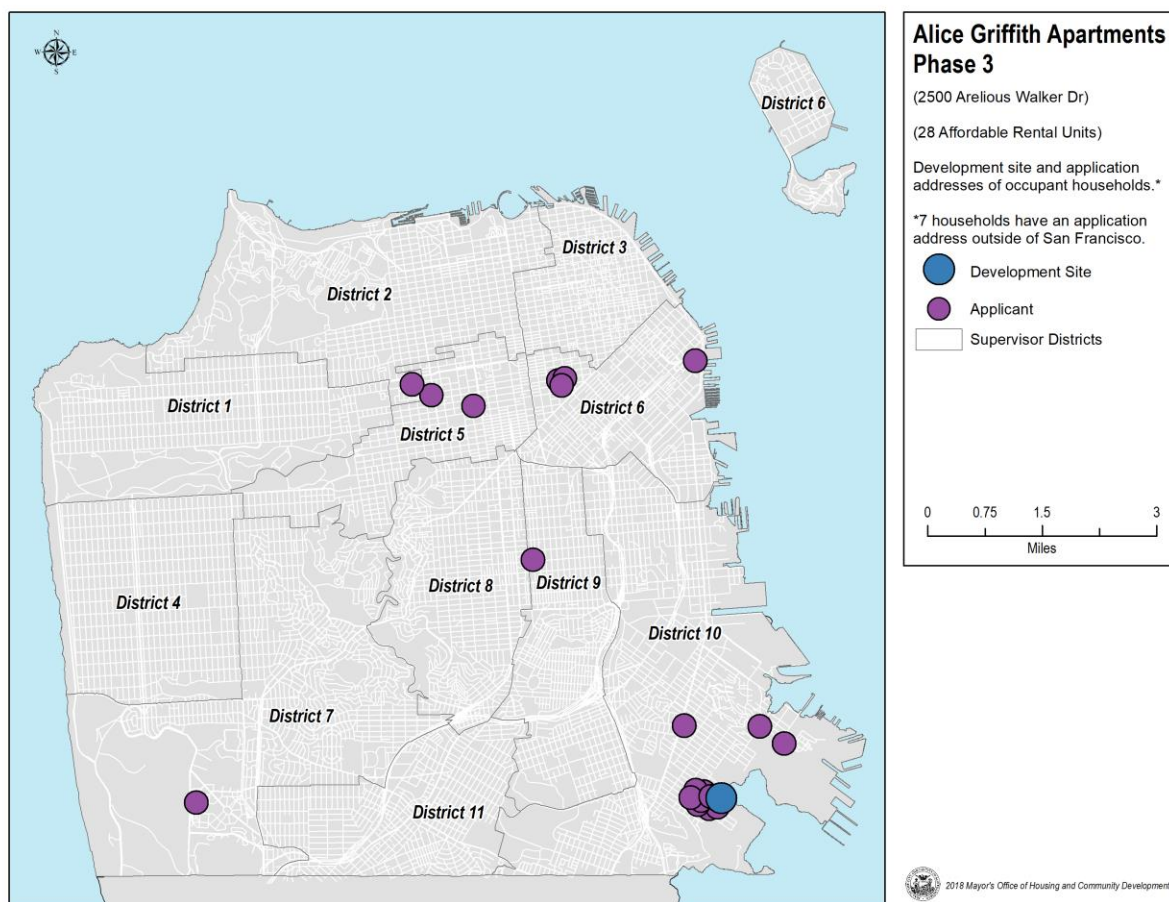
Alice Griffith Phase 3 Lease-up Demographics

MOHCD uses the same categories as HUD to identify race and ethnicity demographics among applicant head of households. Each head of household is asked to identify a race and they are also asked if they are of Latino ethnicity. 43% of the 28 successful applicant households at Alice Griffith PH3 identify their race as African American, while 14% identify as Other/ Multiracial, 11% as White, 7% as Black/African American and White, 7% as Asian, 7% as Native Hawaiian/Other Pacific Islander, 4% as American Indian/Alaskan Native and Black/African American, and 4% identified their race as American Indian/Alaskan Native. 4% declined to state their race. With regard to ethnicity, 25% of the head of household's were of Latino ethnicity. It is also interesting that there were no households that contained a person over the age of 55 years.



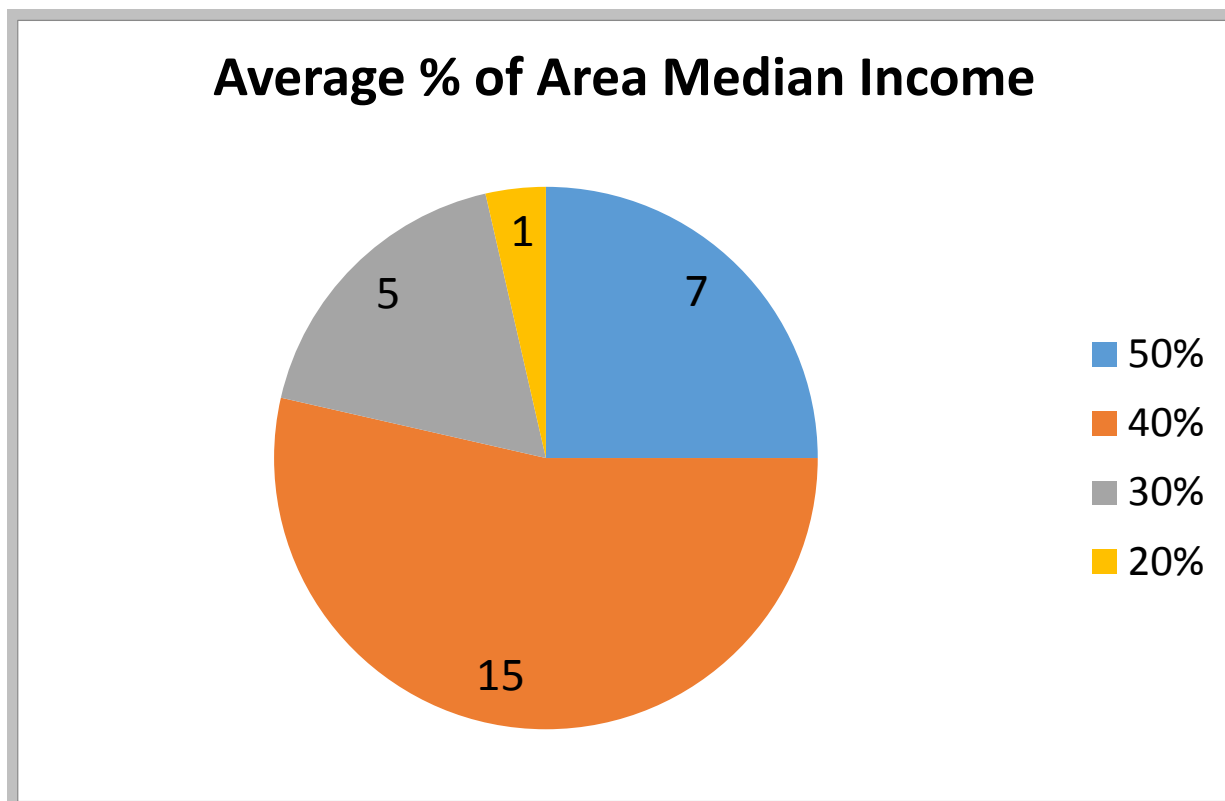
Location of Origin of Successful Applicants

Below is a district map of where the 28 successful applicants originated. Because of the Alice Griffith returnee preference, not surprisingly 12 of the successful applicants were from District 10 but 21 lived in San Francisco. Because of the Rent Burdened and Alice Returnee lottery preferences, 25% of successful applicants came from communities outside of San Francisco. Seven households previously resided in Antioch, Daly City, Hayward, Oakland, Vallejo, and Walnut Creek. Three of the out of City households were Alice Griffith returnees' and four were rent burdened applicants.



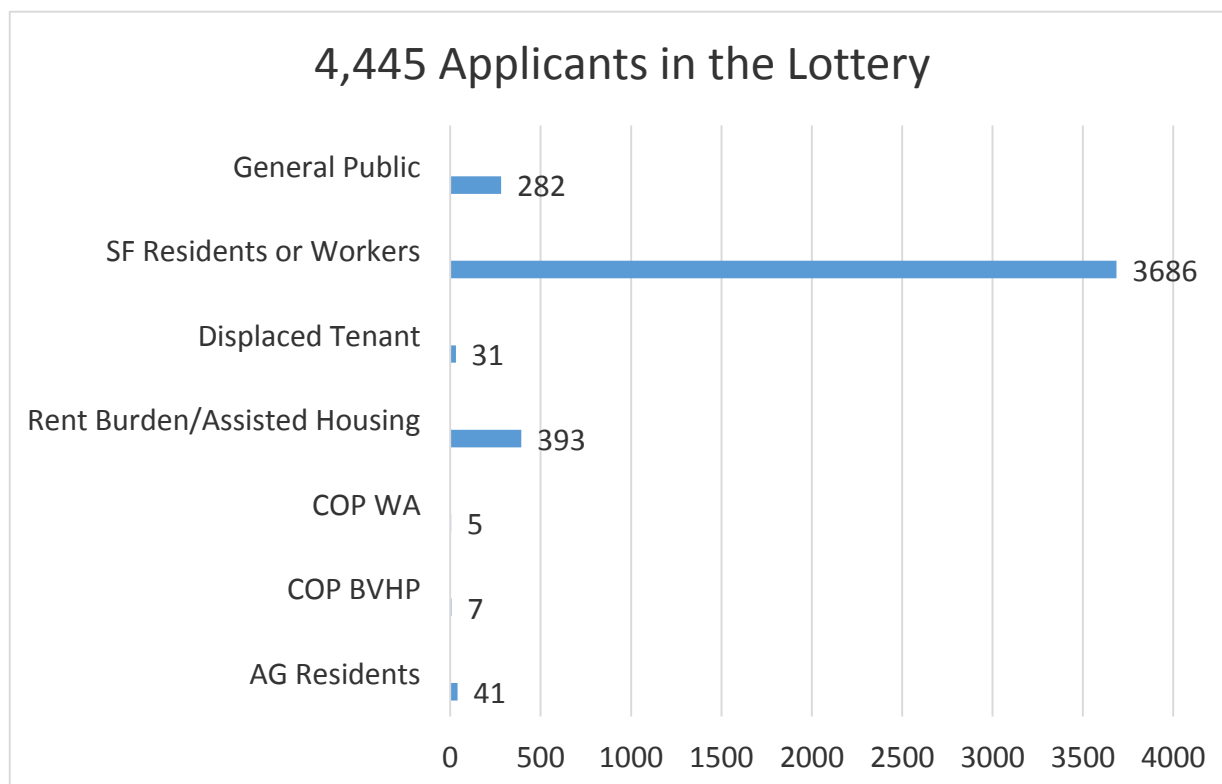
Income Levels Served

Rents at Alice Griffith Phase 3 are set at 50% AMI. At lease up, rents ranged between \$1,085 and \$1311 per month, depending on unit size. A single person household would have to earn between \$1085 and \$2170 per month to qualify. To qualify for a 3 bedroom unit, a household would have to earn at least \$2622 per month. The households at Alice Griffith Phase 3 earned between \$10,929 and \$55,483 per year. The household's earning less than \$26,040 or 50% AMI, needed a rental subsidy and deposit assistance to qualify. Two households used a Section 8 Housing Choice voucher, five households used other City sponsored rental subsidies from the non-profit agencies, Hamilton Families and the Q Foundation.

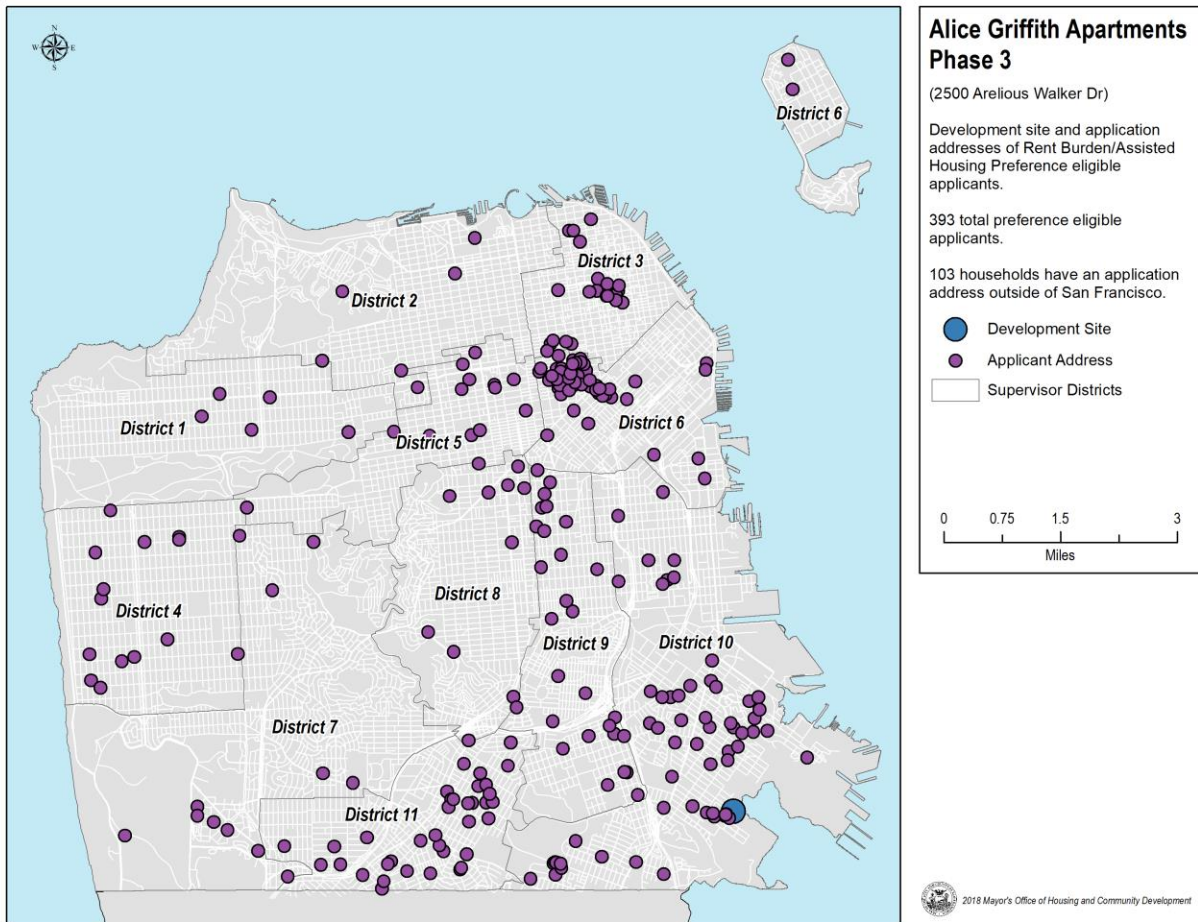


Affordable Housing Lottery Preferences and Lease Up

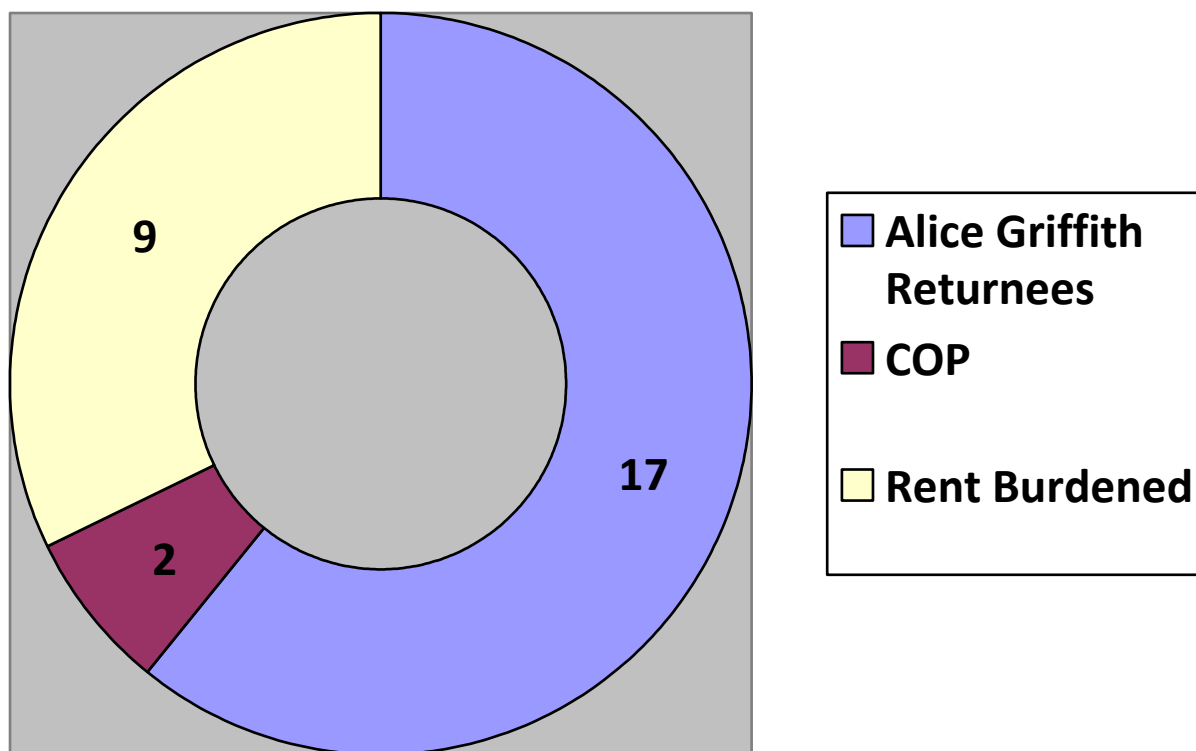
4,445 households applied to Alice Griffith Phase 3 for 28 tax credit funded units. Below are the housing lottery preferences for all applicants as well as those applicants who secured housing. We are pleased that most residents selected were Alice Griffith returnees.



The Rent Burdened or Assisted Housing preference served households who were paying more than 50% of their household income in housing costs or living in San Francisco project based, HUD subsidized housing. Applicants had to submit a copy of their current lease showing the address where they lived as well as some indication of the amount of their last month's rent with documentation of rent payments. This preference accounted for 393 applicants. 103 households from this preference lived outside of San Francisco. The top three cities include Daly City, Oakland and Richmond.



Lottery Preferences of Occupants



AG 3 offered 7 mobility and communication units for those households that indicated on their application that they required such a unit. Documentation from a health care provider indicating a household member's need for these units is required to ensure that this valuable resource is being used as they were intended. During the course of the lease up at AG 3, MOHCD and OCII staff discovered that the leasing agent (MBM) was not following the lease up protocols established by MOHCD to offer mobility and communication accessible units to qualified households. Corrective action was taken and McCormack Baron Salazar now has a plan in place to transfer households who do not have a mobility or communication impairment into other units so that they can offer those units to people who do need them.

COP Success Stories

COP holder Mr. Red had never before applied for affordable housing until he applied at Alice Griffith.

“I received help from the Q foundation, and the Mayor’s Office of Housing and Community Development when applying. I was even blessed to get a parking stall in the facility. Prior to moving here, I was renting a room that had become uncomfortable, considering I was there with a lady friend and her daughter. I go visit her now. It’s been ok for me here. I keep to myself but I do attend the committee meetings and focus groups they have in the community room. The way things are set up here is good, beautiful even. I would encourage COP holders to participate in the program and keep applying for housing. There are a lot of housing developments currently being built.”

COP holder Mr. Blue applied to 3 housing opportunities before settling into Alice Griffith.

“Before living here, I was living in my car. It was pretty bad, but I was so happy that I got help from the Q Foundation. My significant other and I were coming out of relationship and we needed help. I had to get her off the street as well. She is the one who kept encouraging me to apply. I love it here. Every day I love it more and more. Everyone keeps asking me when the housewarming is, but I do like my peace my and quiet. I am enjoying the view here, my unit is right by the bay. I am learning the transportation around here too. I walk two blocks to a bus that takes me to BART. The process of moving here was beautiful. You guys really came through when I really needed it and management is cool too, and courteous and smart. What I would say to other COP holders, is that the COP program works.”