



office of
COMMUNITY INVESTMENT
and INFRASTRUCTURE

118-0062018-002

Agenda Item **No. 8(b)**
Meeting of February 20, 2018

INFORMATIONAL MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Nadia Sesay, Executive Director

SUBJECT: 2600-2700 Arelious Walker Drive (Alice Griffith Phases 1 and 2) Marketing Outcomes Report, a 184-unit HOPE SF multifamily development, including 114 public housing replacement units, and 68 affordable housing rental units, plus two manager's units, which are affordable at 50% Area Median Income; Hunters Point Shipyard 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 Report ("Report") after the full lease-up of each affordable project.

Attached is the Marketing Outcomes Report for the lease-up of Alice Griffith Phases 1 and 2 (2600-2700 Arelious Walker Drive), which are the first two phases of the redevelopment of the Alice Griffith public housing units and were marketed together. Alice Griffith Phases 1 and 2 are comprised of 184 one, two and three-bedroom units, plus two manager's units, and was developed by McCormack Baron Salazar ("MBS") in partnership with the San Francisco Housing Development Corporation ("SFHDC") on Phase 1, and Tabernacle Community Development Corporation ("TCDC") on Phase 2. A total of 114- units are occupied with Right-to-Return Households from the Alice Griffith public housing property. The Report provides information on the successfully housed applicants occupying the 68 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 2,780 applications were received for the 68 affordable housing units at Alice Griffith Phases 1 and 2, and of these, 25 households are COP holders. Five COP households were successful applicants and are now living at the redeveloped Alice Griffith. One of the successful COP households relocated from Vallejo.

(Originated by Pamela Sims, Senior Development Specialist – COP and Marketing Liaison)

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Attachment A: Marketing Outcomes Report

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



Mark Farrell
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 Report subsequent to the initial lease-up for each OCII affordable housing development. The report for 2600 – 2700 Arellous Walker Drive – Alice Griffith Phase 1 and 2 ("AG P1&P2") follows.

Marketing Outcomes Report
February 2, 2018

Project name	Alice Griffith Phase 1 and Phase 2
Project location	2600 – 2700 Arellous Walker Drive
Project sponsor	McCormick Baron Salazar, Inc. McCormick Baron Management
Project tenure	100% affordable
Population type	Family housing
Total number of units	184
Total number of affordable units	182 114 Housing Authority ¹ 68 Tax Credit Units (subject of this report) 22 – 1 bedroom 38 – 2 bedroom 8 – 3 bedroom 2 - managers units
Total number of applicants for 68 lottery units	2,780

¹ All 114 public housing replacement units were leased to existing Alice Griffith households.

Affordability level(s)	50% Area Median Income
Marketing start date	October 6, 2016
Construction completion date	April 4, 2017
100% Lease-up date	October 28, 2017
Occupancy preferences for the 68 affordable rental housing units	1. Residents of Alice Griffith Public Housing 2. COP BVHP 3. COP WA 4. Rent Burdened or Assisted Housing Residents 5. Displaced Tenant Housing Preference 6. San Francisco Residents or Workers 7. Members of the General Public
How many COP holders applied?	25
How many COP holders were housed?	5 (2 Hunters Point, 3 Western Addition)
Of the 5 COP holders housed, what was their city of origin?	4– San Francisco 1- Vallejo
What Happen to the 20 COP Holders that were not housed?	8- Under income 3- Over Income 7- No Show-Missed two or more leasing appointments 2-Withdrew for other affordable housing opportunities
Total Number of People Housed in the 68 lottery units at Hunters View PH2A	82

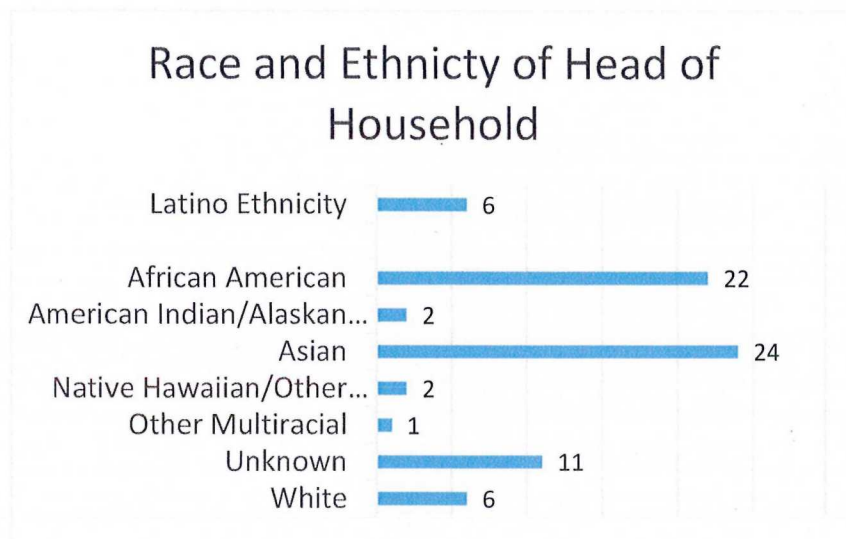
Background

AG P1&P2 includes 68 affordable tax credit units and 114 public housing replacement units, for a total of 182 affordable housing units ranging from one-bedroom to three-bedrooms. Double loaded corridor buildings occupy part of each block. Additionally, the block arrangement includes a hybrid flats/townhome building with a central courtyard, which allows for walk-up units within or at the edge of the block. As a result, three- bedroom units for large families have direct access to the outside without passing through common areas, corridors or elevators. Each block incorporates a privately secured parking garage under the podium/courtyard. A courtyard at podium level creates community-gathering space for residents, extending the community space from indoor to outdoor. All ground floor units are

elevated between 2 feet and 4 feet above the street for privacy. Construction began in January 2015, and the Certificate of Completion was received in April 2017.

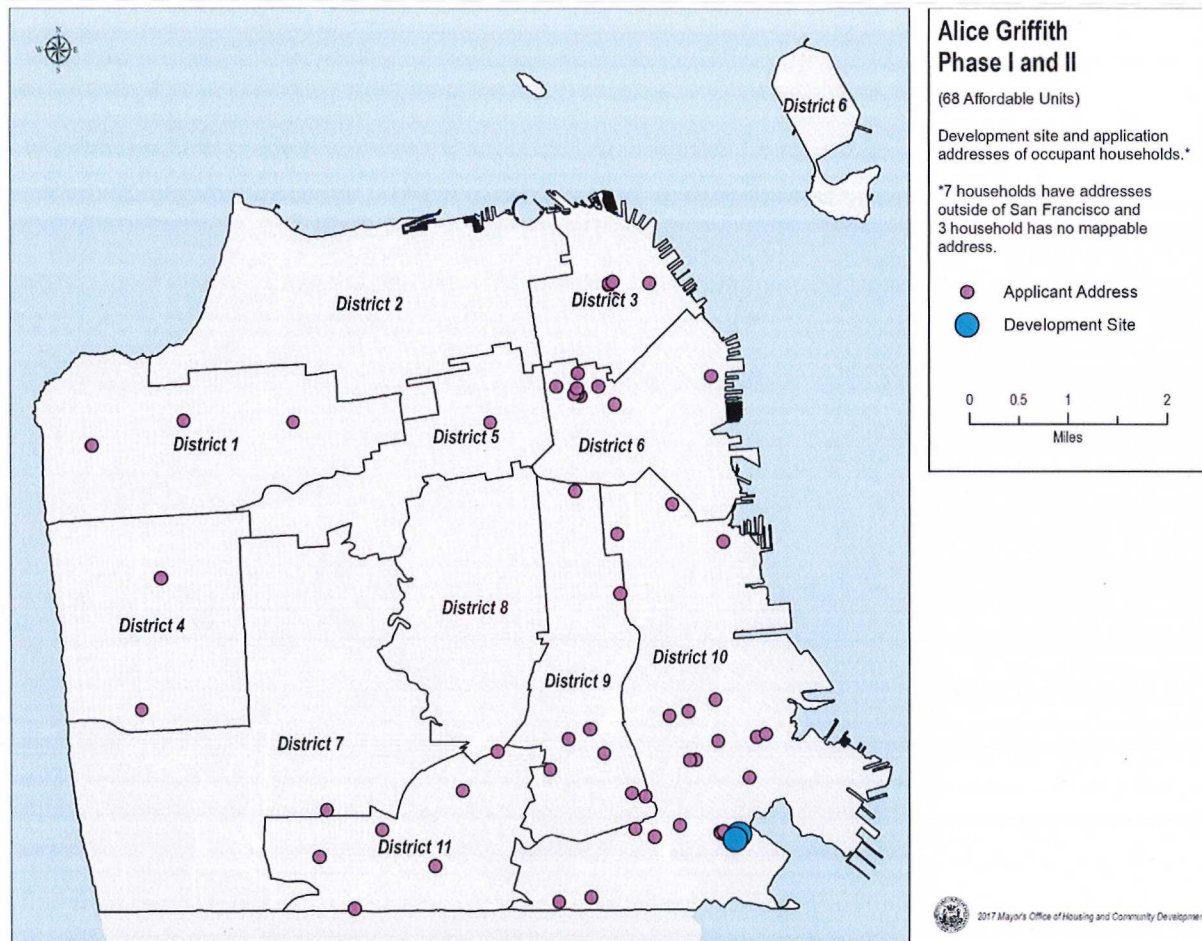
Alice Griffith Phase 1 and Phase 2 Lease-up Demographics

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. 32% of the 68 successful applicant households at AG P1&P2 identify their race as African American. 35% identified their race as Asian and 16% declined to state their race. With regard to ethnicity, 8% of the head of household's were of Latino ethnicity.



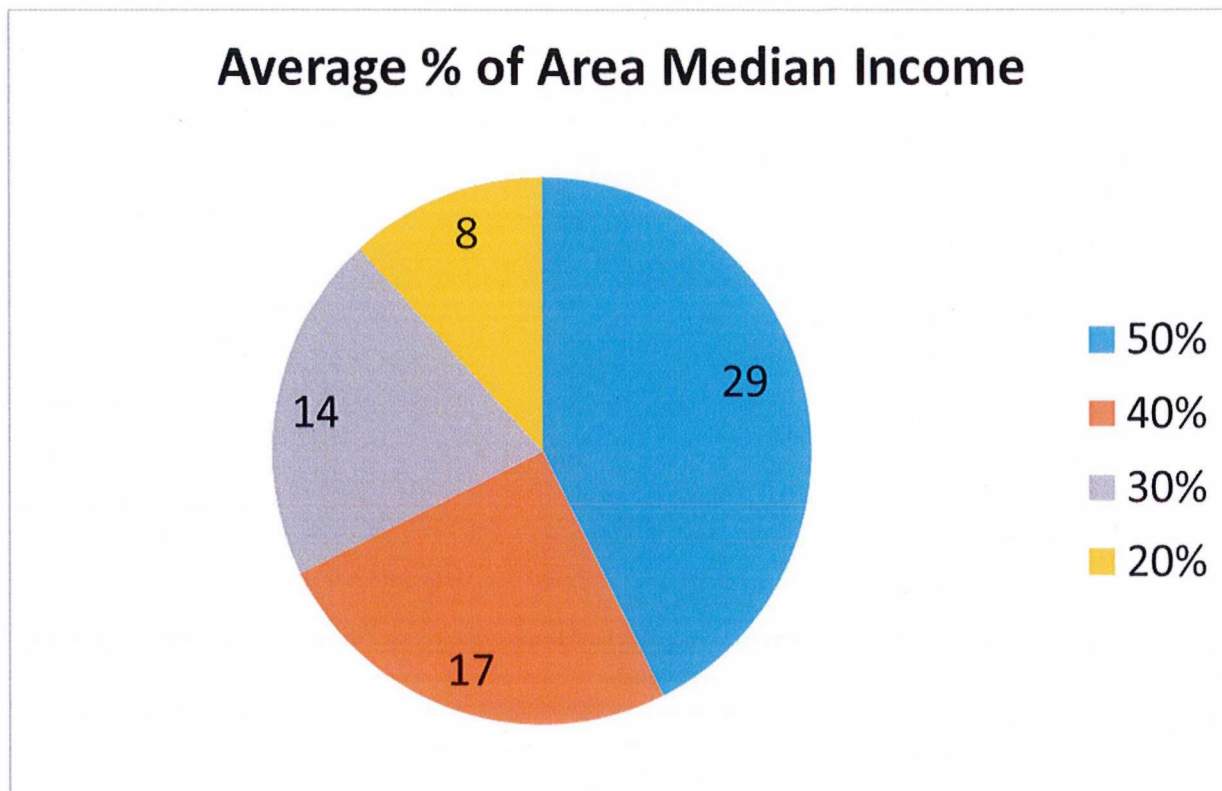
Location of Origin of Successful Applicants

Because of the Alice Griffith Right-to-Return preference, not surprisingly, most (30%) successful applicants originated from District 10. Seven applicant households lived outside of San Francisco, however, because they work in San Francisco they qualified under the San Francisco Residents or Workers housing preference. The three applicants who were successful at gaining occupancy at AG P1&P2 with no reported address were formerly homeless.



Income Levels Served

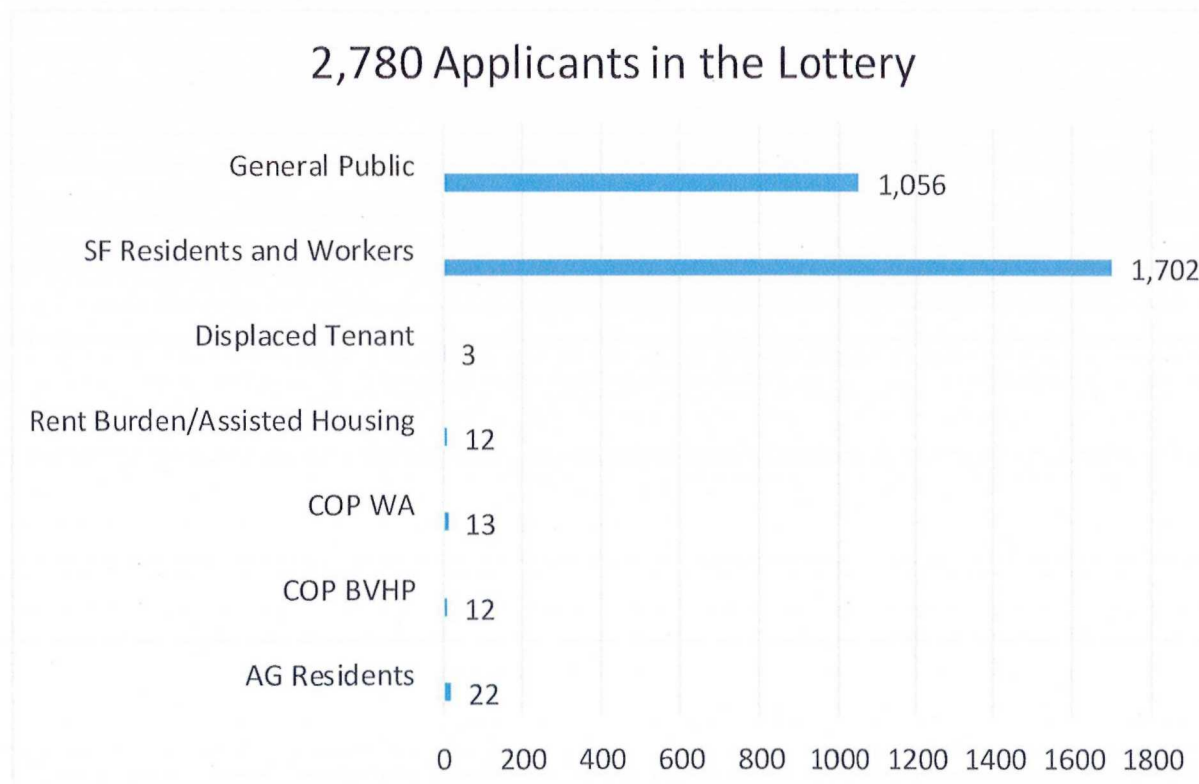
Rents at AG P1&P2 are set at 50% AMI. At lease up, the rents for the 68 affordable rental units ranged between \$1,015 and \$1,237 per month, depending on unit size. A single person household would have to earn between \$2,030 and \$2,258 per month to qualify. To qualify for a 3 bedroom unit, a household would have to earn at least \$2,474 per month. The majority of households at AG P1&P2 earn between \$23,487 and \$56,420 per year. Household's earning less than \$23,487 or 20% AMI, needed a rental subsidy to qualify.



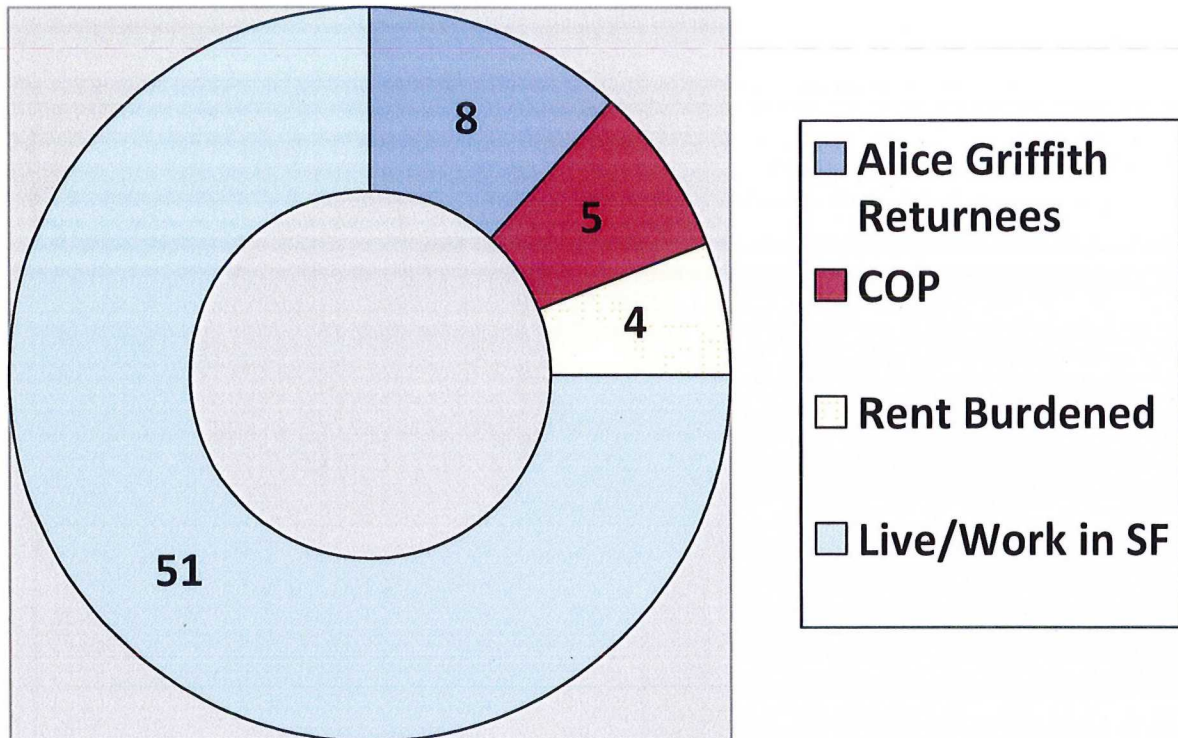
Affordable Housing Lottery Preferences and Lease Up

Regarding COP holders qualifying for homes at AG P1&P2, unfortunately the Q Foundation exhausted their annual allotment of rental assistance funding at the time the units were being leased-up. They were only able to assist 2 Alice Griffith applicant households (of which one is a COP holder). Without rental assistance, the other COP holders that applied could not afford the tax credit units. They will keep applying to future opportunities in anticipation of new Q Foundation funds.

2,780 households applied to Alice Griffith Phase 1 & 2 for 68 tax credit funded units of housing. Below are the housing lottery preferences for all applicants as well as those applicants who secured housing. As you can see in the chart below, most residents were selected from the live or work in San Francisco lottery preference. Over half of the Alice Griffith Right-to-Return households who applied were not housed in Phases 1 and 2 for some of the same reasons that the COP holders were not housed (i.e., not responding, income over and under the AMI limits were the primary reasons.



Lottery Preferences of People Housed at AG 1 and 2



COP Success Stories

Mr. Green, a COP holder, had never before applied for affordable housing until he applied for the affordable housing units at the redeveloped Alice Griffith.

“So far it’s cool, it’s nice. I haven’t had any problems. I went to one of the orientations from the housing counselor, it was helpful. Once I put in for Alice Griffith, I immediately got a call, it happened so quickly! Before Alice Griffith my living situation was okay but it was just too far away. The traveling back and forth was just too much. This is where I work, where my family is, where the kids go to school. Everything we do is in San Francisco! Pretty much all of our friends and family are here. Now we don’t have to get up at 4 a.m. every morning to get on the freeway. No bridge, no back and forth to Vallejo. The kids are at school on time and we get more sleep. It’s good, everything is good”.

Mr. Green reports that his children are enjoying their new home as well.

“There is a gym and a community room with TV’s. It’s nice because you can go there, read a book and get on your laptop, get some piece of mind. As far as I see, they are spreading the diversity out around here and they did it right. I wouldn’t have thought the neighborhood was going to be quiet, I thought you’d hear fire trucks, police cars, guns shots, but it’s none of that, and there’s a variety of different neighbors and that’s cool. You have a little privacy and you don’t have to hear your neighbor’s music”.

Mr. Brown, a COP holder, had applied to 4 housing opportunities before settling into the redeveloped Alice Griffith housing units.

“I was number 12 in the lottery but I needed assistance with moving costs and the Q Foundation covered the first two months of rent. My experience working with them was beautiful. Until now, I was moving from place to place, living with my sister, my cousin, my girlfriend. My new home is nice, I got a second floor, corner house. It is pretty roomy for my walker and power wheel chair even though it is not an ADA unit. I have an in-home care worker who does everything for me: cooking, grocery shopping, etc. and my kitchen is beautiful. I love my kitchen, I have marble granite countertops that go all the way around, a nice fridge, and a built in dishwasher. I am 53 and couldn’t get into the senior building so I am so happy to be here. Tell Brooke thank you for everything”.