



COMMUNITY INVESTMENT
and INFRASTRUCTURE

118-342017-002

Agenda Item **No. 8(b)**
Meeting of January 16, 2018

INFORMATIONAL MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Nadia Sesay, Executive Director

SUBJECT: 848 Fairfax Avenue (Hunters View Phase IIA) Marketing Outcomes Project Report, 107-unit multifamily HOPE SF development, of which 26 are new affordable rental housing units and the remaining 80 are public housing replacement units, and all units affordable at 45% Area Median Income; Bayview Hunters Point

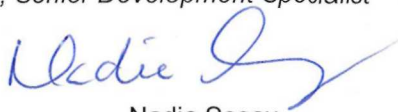
EXECUTIVE SUMMARY

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 Hunters View Phase IIA (848 Fairfax Avenue), which is the second phase of the redevelopment of the Hunters View public housing units. Hunters View Phase IIA is comprised of 106 affordable rental units including one manager's unit, and was developed by Hunters View Associates, L.P., a partnership consisting of John Stewart Company, Hunters Point Affordable Housing Inc. (Ridge Point Non Profit Housing Corporation) and Devine and Gong, Inc. The report provides information on the applicants occupying the 26 non-public housing replacement units, including: 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") holder applicants and their success rates in securing housing at the Hunters View Phase IIA site.

A total of 1,946 applications were received, and of these 8 households are COP holders. Three COP households were successful applicants and are now living at Hunters View. Two of the successful COP households relocated from San Jose and Vallejo.

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


Nadia Sesay
Executive Director

Attachment A: Marketing Outcomes Project Report

CITY AND COUNTY OF
SAN FRANCISCO

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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 848 Fairfax Avenue – Hunters View Phase IIA follows.

Marketing Outcomes Project Report
November 14, 2017

Project name	Hunters View Phase IIA
Project location	848 Fairfax Avenue
Project sponsor	HV Partners II, LP The John Stewart Company
Project tenure	100% affordable
Population type	Family housing
Total number of units	107
Total number of affordable units	106 80 Housing Authority ¹ Public Housing Replacement Units 26 Tax Credit Units (subject of this report) 8 – 1 bedroom 8 – 2 bedroom 8 – 3 bedroom 2 – 4 bedroom
Total number of applicants for 26 lottery units	1,946

¹ The 80 public housing replacement units were leased to 57 existing Hunters view households and 23 households were referred by the San Francisco Housing Authority.

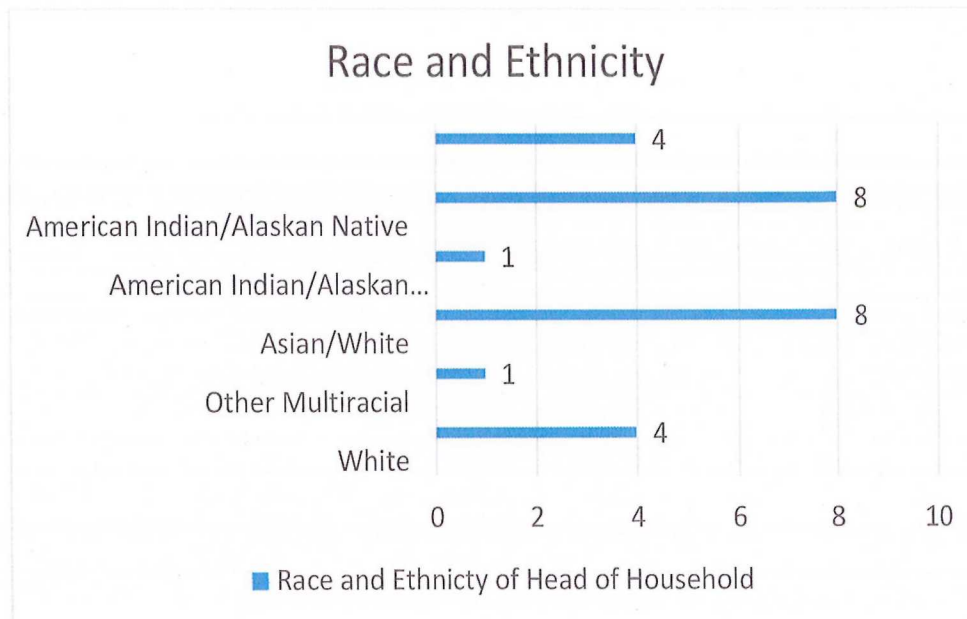
Affordability level(s)	45% Area Median Income
Marketing start date	June 9, 2016
Construction completion date	November 11, 2016
100% Lease-up date	July 31, 2017
Occupancy preferences	1. COP BVHP 2. COP WA 3. Rent Burdened or Assisted Housing Residents 4. Ellis Act Housing Preference 5. San Francisco Residents or San Francisco Workers 6. Members of the General Public
How many COP holders applied?	8
How many COP holders were housed?	3 (3 – Hunters Point, 0 – Western Addition)
Of the 3 COP holders housed, what was their city of origin?	1 - San Francisco 1 - San Jose 1 - Vallejo
What Happen to the 5 COP Holders that were not housed?	2 - Under income 1 - Over Income 1 - No Show-Missed two or more leasing appointments 1 - didn't meet credit standards
Total Number of People Housed in the 26 lottery units at Hunters View PH2A	74

Background

Hunters View Phase IIA is located in the Bayview Hunters Point Redevelopment Project Area. Under Community Redevelopment Law, OCII is required to replace all of the units demolished with new units in the exact bedroom configuration. Hunters View Phase IIA is replacing some of the 267 units that are required and more replacement will occur in future phases. The households who were residing at Hunters View when the redevelopment of the site began have been rehoused into newly constructed units. The Phase IIA development consists of infrastructure work as well as housing.

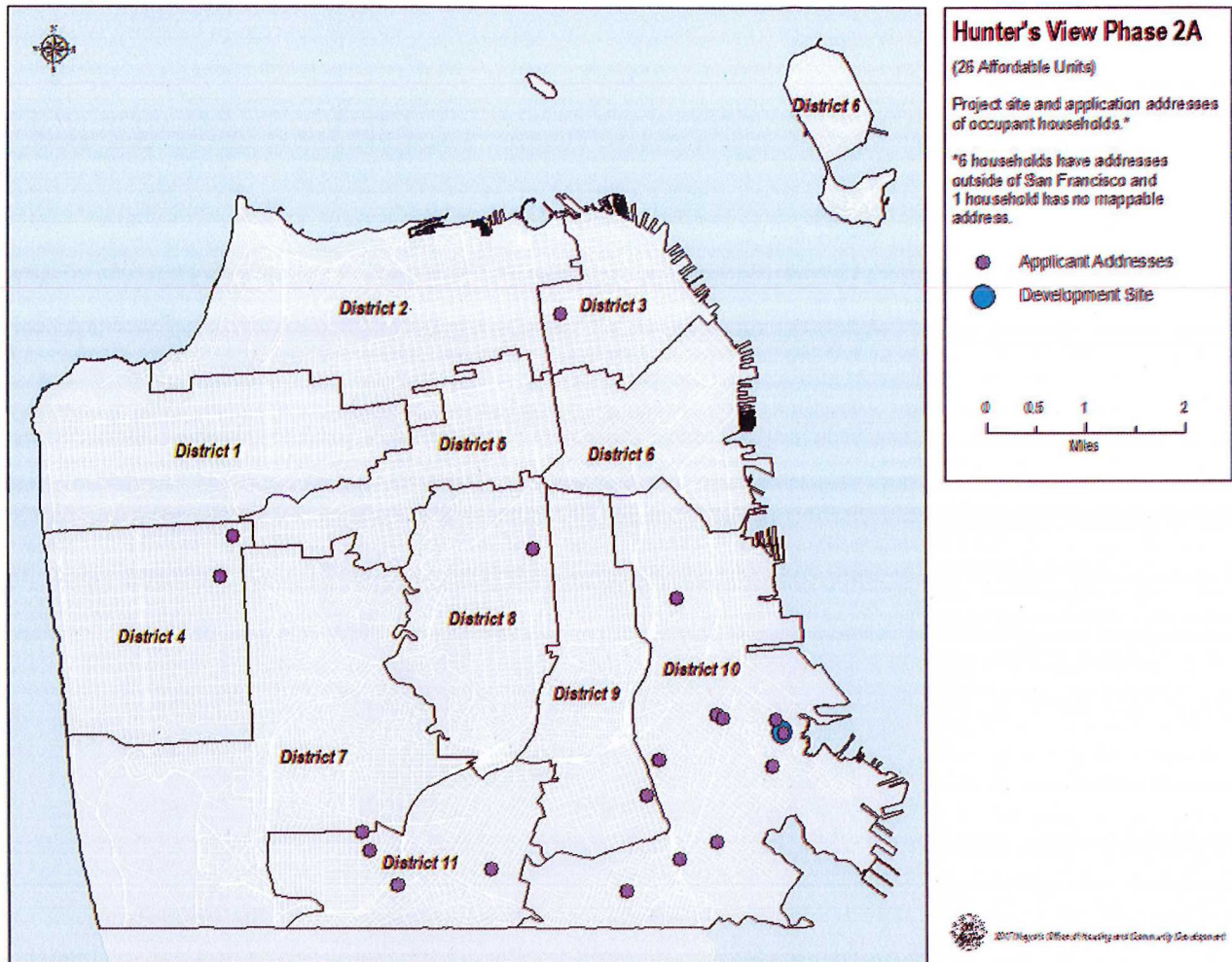
Hunters View Phase IIA Lease-up Demographics

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. 30% of the successful applicant households at Hunters View Phase IIA identify their race as African American. 30% identified their race as Asian. With regard to ethnicity, 15% of the head of household's were of Latino ethnicity.



Location of Origin of Successful Applicants

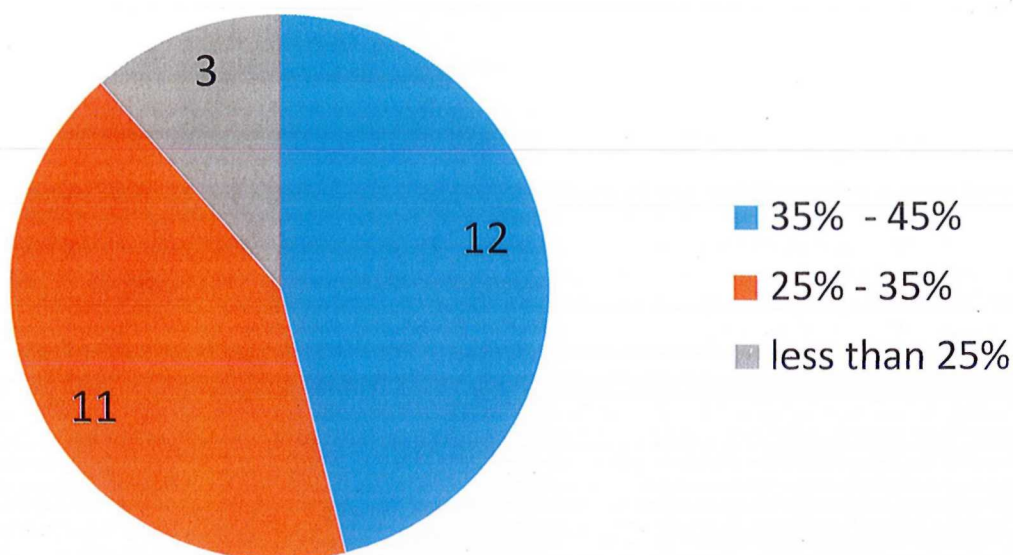
Not surprisingly, most successful applicants originated from District 10 followed by District 11. 35% of the new tenants were originally from District 10 and 15% were from District 11. The balance of the Supervisorial Districts had at least one successful applicant with the exception of District 1, 2, 5, and 6. Six households lived outside of San Francisco. Two of the 6 were COP holders. The third successful COP holder lived in San Francisco's District 10 community with her mother.



Income Levels Served

Rents at Hunters View are set at 45% AMI. At lease up, 2016 rents ranged between \$969 and \$1,309 per month, depending on unit size. A single person household would have to earn between \$1,938 and \$2,827 per month to qualify. To qualify for a 4 bedroom unit, a household would have to earn between \$31,416 and \$56,220 annually. The majority of households at Hunters View earn between \$23,256 and \$56,227 per year. Household's earning less than \$23,256 or 30% AMI, needed a rental subsidy to income qualify. A total of 6 households, now living in the tax credit units, have Housing Choice Vouchers, and two of these households are COP holders.

Average % of Area Median Income



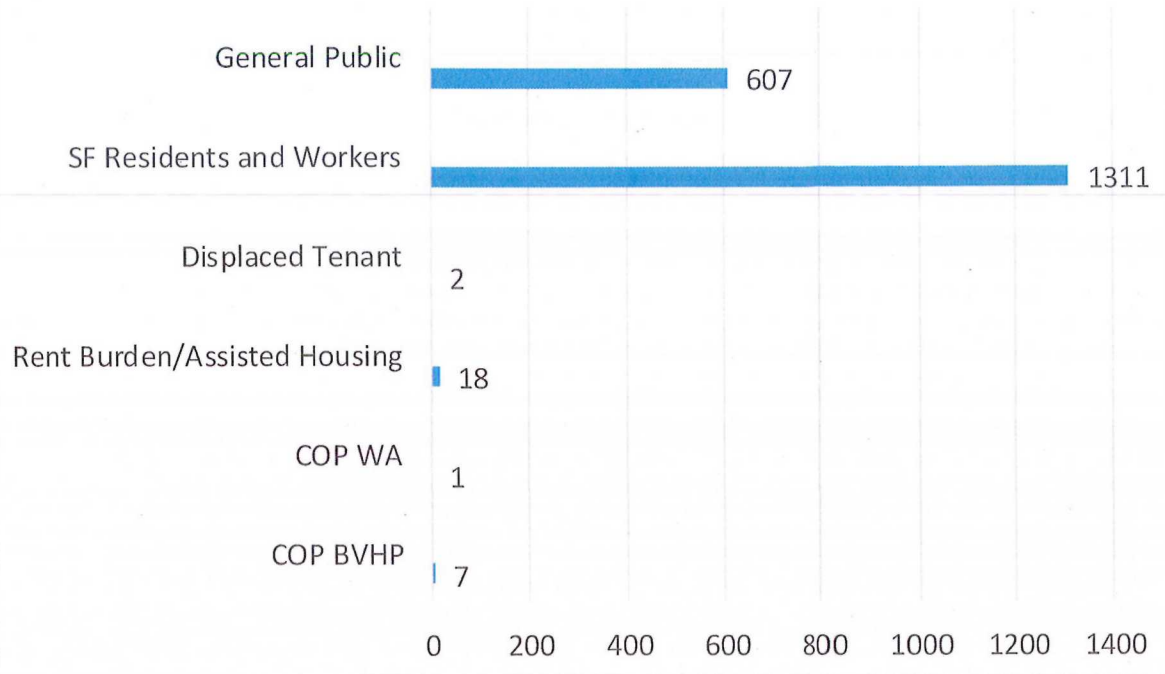
Affordable Housing Lottery Preferences and Lease Up

MOHCD and OCII were very pleased to offer the first electronic housing lottery at Hunters View. The John Stewart Company was a great partner in this pilot endeavor. MOHCD IT staff was on hand to ensure the lottery went smoothly. While there were many lessons to learn from the implementation of this first electronic lottery, participants were pleased with how quickly they can now receive lottery results and the transparency of the process.

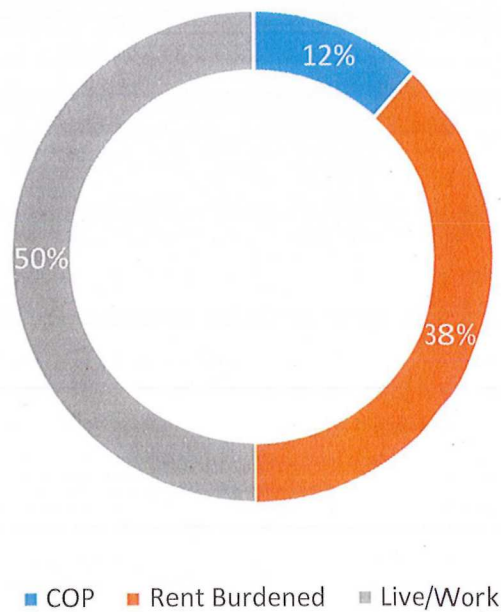
Regarding COP holders qualifying for homes at Hunters View, the bad news is that the Q Foundation exhausted their annual allotment of rental assistance funding just as our two under income COP holders were offered units at Hunters View. Without rental assistance, these households could not afford a unit. They will keep applying to future opportunities in anticipation of new Q Foundation funds. The good news is that MOHCD referred the COP holder who was denied for poor credit to rental readiness and credit counseling at SF Housing Development Corporation. SFHDC helped her fix her credit issues so that she would be ready for the next affordable housing opportunity. She applied for a City Inclusionary BMR unit at Waterbend (located in the Bayview) and was successful.

1,946 households applied to Hunters View Phase IIA for 26 units of housing. Below are the housing lottery preferences for all applicants as well as those applicants who secured housing.

1,946 Applicants in the Lottery



Residents Selected by Housing Preference



COP Success Stories

COP holder Mrs. Gray applied to another housing opportunity at the same time as Hunters View. Her strategy was to go with whichever approved her first. As soon as Hunters View pulled through, she gave her deposit and declined the other. She says this was the best decision she's ever made and she has a priceless view of the Bay Bridge. Having been born and raised in the Hunter's Point area, she had her reservations about returning to West Point. She describes the Hunters Point of today as "nice, quiet and diverse with many different ethnic backgrounds." About Hunters View, she praises, "Things get fixed immediately. People are nice. I love the janitors. They come right up and get it cleaned up. We chat all the time. In a million years, I didn't think West Point would be quiet". Mrs. Gray says her favorite part about coming home is being close to her family. "I am the granddaughter of Esther Lola Jackson. I was living in Fairfield and after 21 years I was tired of the commute to see my family". Mrs. Gray and her children are thriving. Her 18 year old daughter recently graduated from Phillip Burton and is on track to study Early Childhood Education. Her daughter has a job right downstairs at the daycare on site.

Ms. Brown applied for a COP certificate because when she was a baby, her father and grandfather were displaced from Bayview Hunters Point back. She was initially denied for a certificate because while her mother was listed as a member of the household, she was not. Ms. Brown appealed the decision and provided MOHCD with her birth certificate and other documentation proving that she was a member of the displaced household. During her appeal it was brought to MOHCD attention that Ms. Brown was homeless in Vallejo and she was encouraged to apply to Hunters View. During the application process, she hit a couple of snags. She was denied for credit debit. MOHCD referred her to the San Francisco Housing Development Corporation ("SFHDC") for help. With the help of SFHDC, she appealed the denial and it was overturned. They also provided her with assistance with her security deposit. Ms. Brown is now in secure housing in the Bayview where she was displaced as a baby.