

101-0032017-002

Meeting of May 2, 2017

INFORMATIONAL MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Nadia Sesay, Interim Executive Director

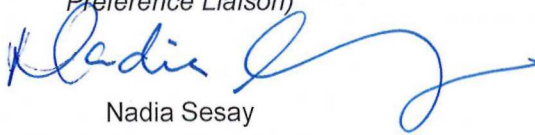
SUBJECT: Pacific Pointe (350 Friedell Street, also known as Hunters Point Shipyard Block 49) Marketing Outcomes Project Report; Hunters Point Shipyard Project Area

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.

Attached is the Marketing Outcomes Report for the lease-up of Pacific Pointe (350 Friedell Street), also known as Block 49 in the Hunters Point Shipyard Phase I approved development project. Pacific Pointe is comprised of 59 very low-income family rent units and one manager's unit, and was developed by a partnership consisting of AMCAL Multi-Housing, Inc. and Young Community Developers. Pacific Pointe fulfills the 50% Area Median Income inclusionary housing requirement of HPS Development Co., the master developer of HPS Phase I. The report includes: general project information (i.e., type of affordable units, Area Median Income levels, occupancy preferences); an ethnic and racial breakdown of successful applicants; the location where applicants previously lived; and, the number of Certificate of Preference applicants and their success rates in securing housing at Pacific Pointe.

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



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Attachment 1: Marketing Outcomes Project Report



Edwin M. Lee
Mayor

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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 Pacific Pointe – 350 Friedell Street, also known as Block 49, follows.

Marketing Outcomes Project Report
April 3, 2017

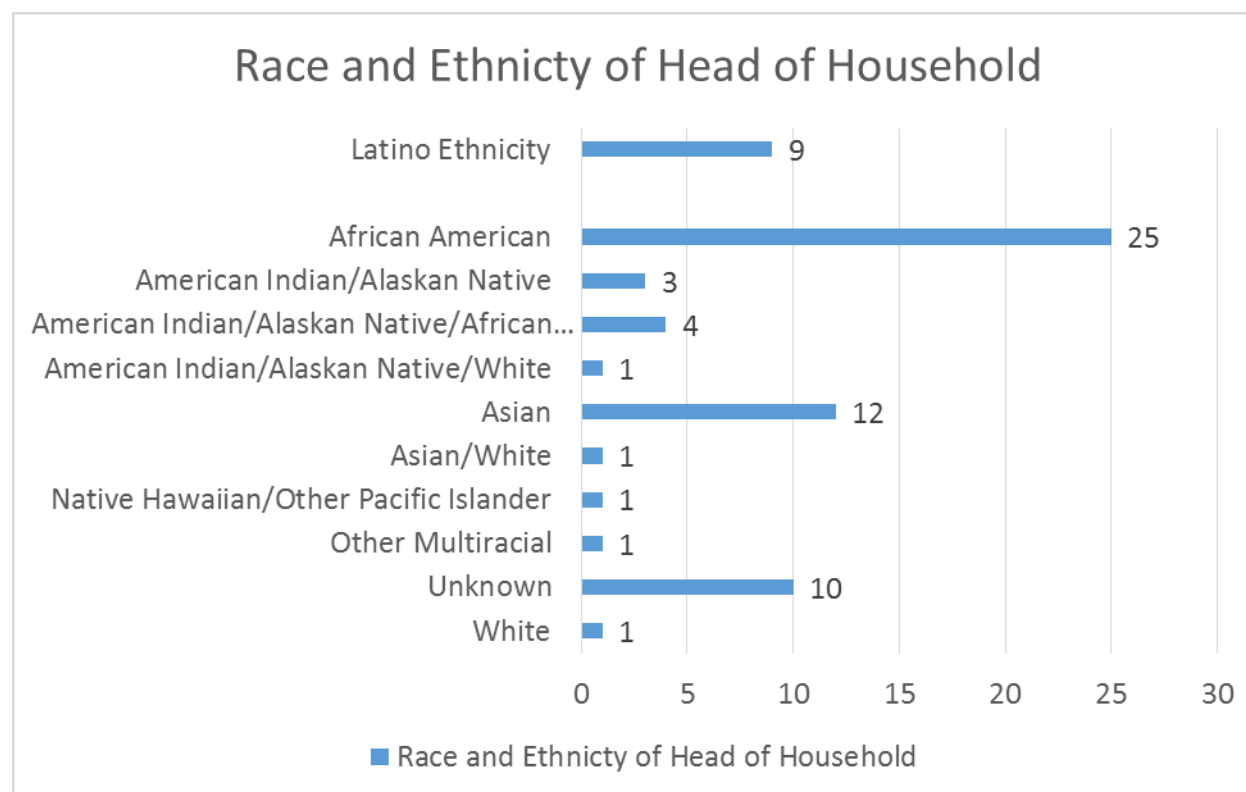
Project name	Pacific Pointe
Project location	350 Friedell Street
Project sponsor	AMCAL Multi-Housing, Inc. with Young Community Developers
Project tenure	100% affordable
Population type	Family housing
Total number of units	60
Total number of affordable units	59 27 – 1 bedroom 20 – 2 bedroom 12 – 3 bedroom 1 managers unit
Total number of applicants	2640
Affordability level(s)	50% Area Median Income
Marketing start date	January 26, 2016
Construction completion date	July 1, 2016
100% Lease-up date	September 30, 2016
Occupancy preferences	1. Hunters Point and Western Addition COP holders 2. Rent Burdened/Assisted Housing Residents 3. San Francisco residents 4. General Public
How many COP holders applied	26

How many COP holders were housed	12 -5 Hunters Point -7 Western Addition
Of the 12 COP holders housed, what was their city of origin	9 - San Francisco 2 - Oakland 1- Hayward
What happened to the 14 COP Holders that were not housed?	5- Decided not to move 5- Over Income *3- No show **1- Did not satisfy credit criteria
Total Number of People Housed at Pacific Pointe	114

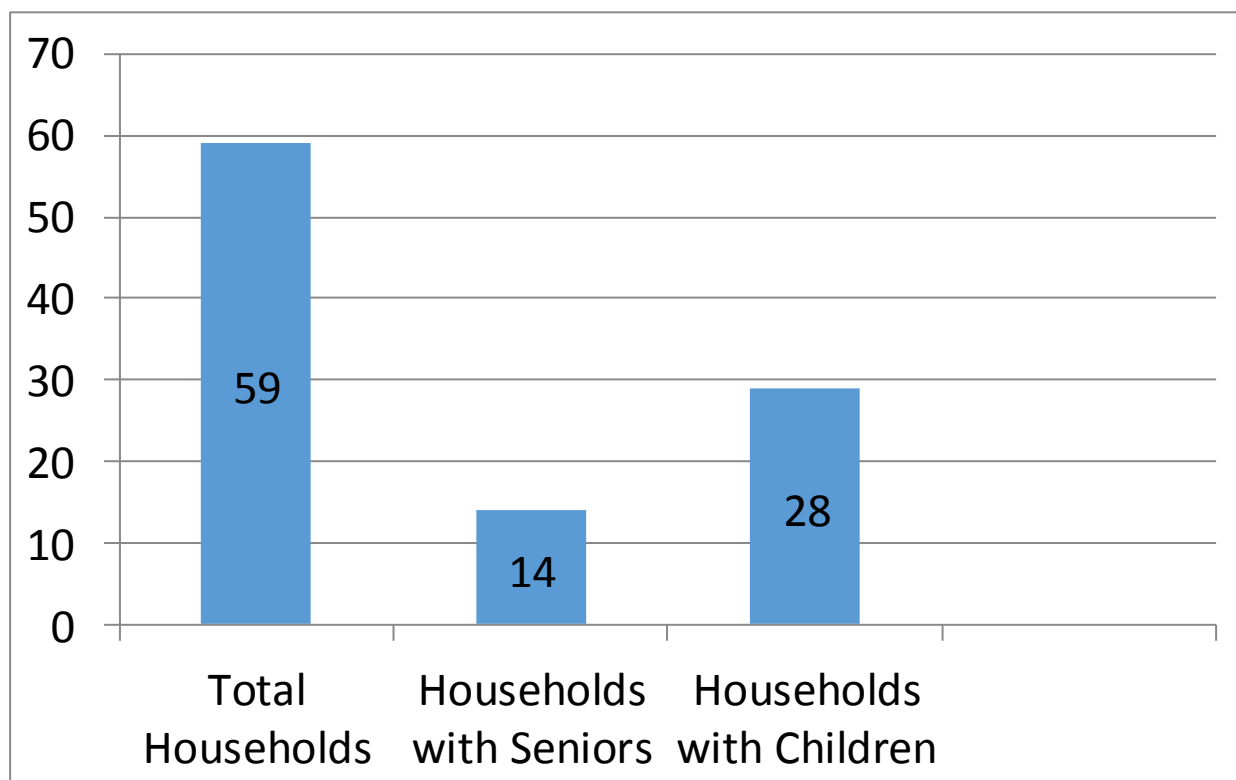
*Of the 3 "no shows": 1 applicant was in compliance but she stopped answering her phone and did not respond to written correspondence; 1 applicant was accepted through compliance however she stopped corresponding soon after; and, 1 applicant could not be located. The leasing agent, Bayview Hunters Point Multipurpose Senior Services and MOHCD staff all worked on these three cases.

**The applicant who did not "satisfy credit criteria" had significant credit issues, as well as owns a home.

Pacific Pointe Lease-up Demographics

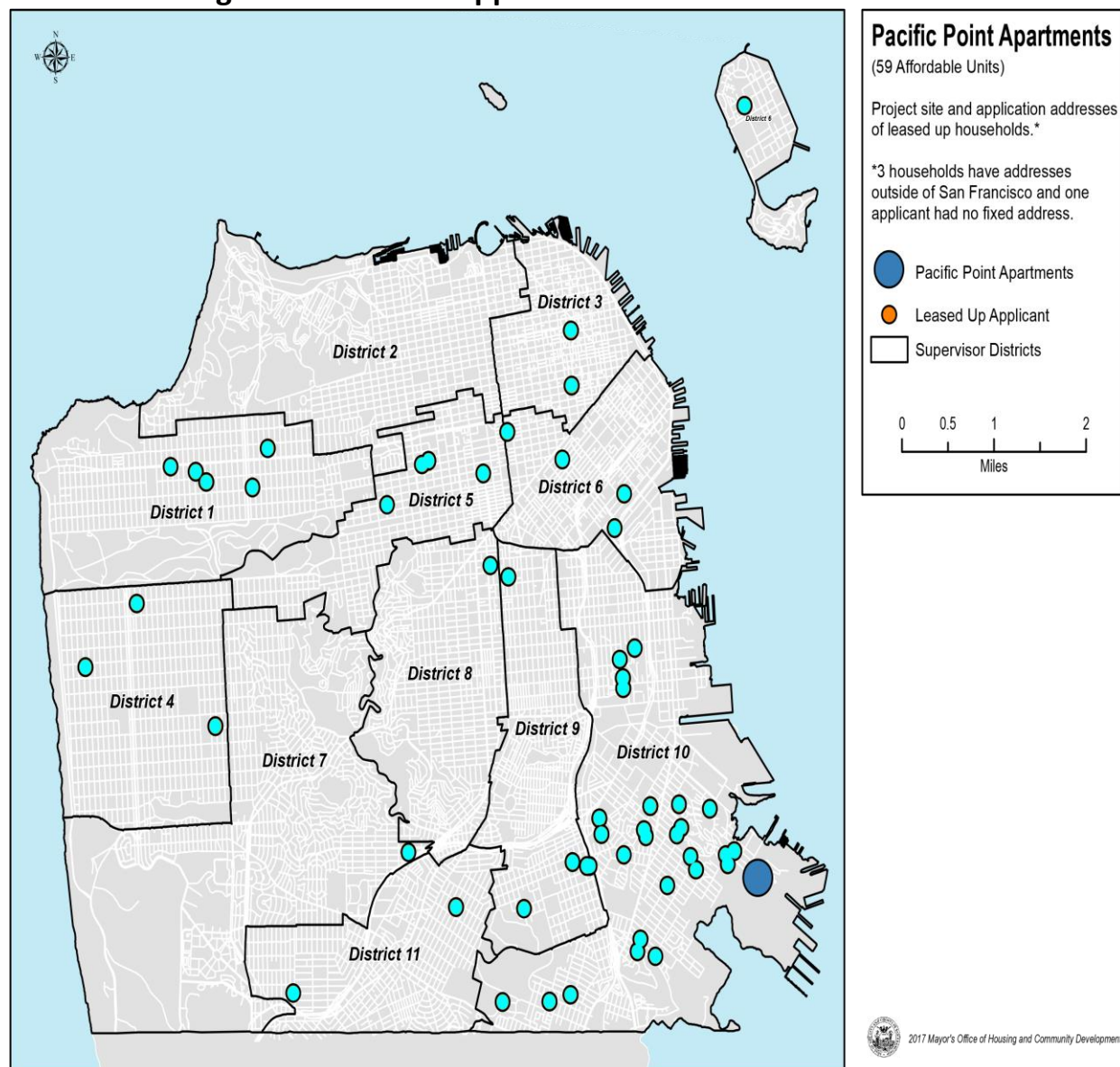


MOHCD uses the same categories as HUD to identify race and ethnicity demographics among applicant head of households. Each applicant is asked to identify a race and they are also asked if they are of Latino ethnicity. 42% of the successful applicant households at Pacific Pointe identify their race as African American. 20% identified their race as Asian and 16% declined to state their race. 15% of the head of household's were of Latino ethnicity.

Households with seniors and/or children

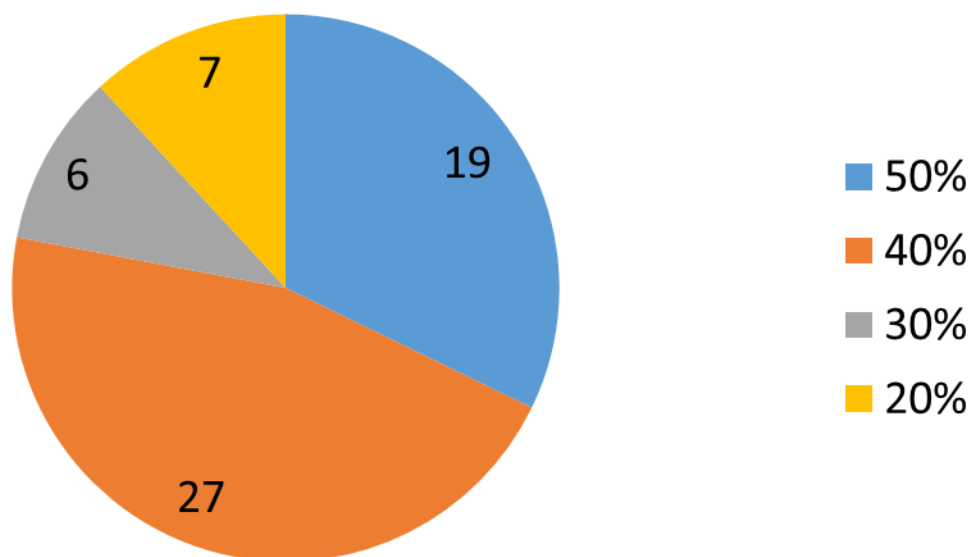
Fifty-five children and fourteen seniors live at Pacific Pointe. The two and three bedroom units successfully attracted families to live at this development. Nearly half of the units are occupied by households with children.

Location of Origin of Successful Applicants



District 10 is well represented in households served by Pacific Pointe. 44% of the new tenants were originally from District 10. The leasing agent, Imagine That Consulting offered antidotal information about the large number of successful District 10 applicants. They believe that many families who were formerly living in overcrowded conditions, “coach surfing” with relatives applied because they were encouraged by watching the family housing being built in their community. The balance of the Supervisorial Districts had at least one successful applicant with the exception of District 2. Nine households hailed from outside of San Francisco, two of whom were COP holders.

Average % of Area Median Income



The rent level at Pacific Pointe was set to be affordable to households at 50% Area Median Income (“AMI”). A total of 32% of the households who were successful applicants, are at 50% AMI, or \$43,700 for a 3-person household. 45% of the households are between 30% and 40% AMI, which means these households will pay more of their income toward rent than households at 50% AMI. 22% of the households have incomes below 30% AMI. The majority of these households have some sort of rental subsidy helping them pay the rent. MOHCD staff paired four of the lower income households (all COP holders) with housing subsidies from the Q Foundation. This subsidy allows a household, which would otherwise not meet the minimum income requirements successfully live at Pacific Pointe.

Affordable Housing Lottery Preferences and Lease-up

2460 households applied to Pacific Pointe for housing.

COP	Rent Burdened/Assisted Housing	Live in SF	General Population
26	346	2259	381

Pacific Pointe was one of the first developments MOHCD staff worked on that offered the Rent Burdened/Assisted Housing preference. OCII and MOHCD did not ask for proof of this preference prior to the lottery, thus there were many households who indicated rent burdened but few were. Despite this, 33 households who were able to document the Rent Burdened/Assisted Housing preference were housed in the Rent Burdened category.

There were 26 COP Holders that applied to Pacific Pointe. They applied primarily from San Francisco but several outside areas as well: Oakland, Hayward, Daly City, San Leandro, San Mateo, Kern County, and San Bruno. Six of the 14 COP Holders that did not end up living at Pacific Pointe were declined because they did not qualify for the project because of income (5) or credit (1). One COP holder was initially declined because of criminal background but with the help of Bayview Hunters Point Multipurpose Senior Services and MOHCD staff, an appeal was filed and the denial overturned.

COP Success Stories

Clearyour Mitchell is a COP holder who was displaced from Bayview Hunters Point in the 1970's. Ms. Mitchell was brought to our attention through Bayview Senior Connections. She and her two adult children were homeless and living in a van at the time her certificate was issued in June 2016, as a result of Bayview Senior Connections outreach efforts. Ms. Mitchell applied to Dr. George Davis Senior Center but withdrew her application because it is a senior only building and she didn't want to live separately from her daughters. MOHCD let her know about Pacific Pointe and the family applied and was able to secure a three bedroom unit.

Alondra Powell is another homeless a COP holder who was displaced from the Bayview Hunters Point also in the 1970's. Her case manager from the Navigation Center reached out to our office regarding Alondra who applied at Pacific Pointe, but didn't indicate she was a COP holder on her application. Pacific Pointe was almost 100% occupied at the time her case manager reached out to MOHCD. We were able to quickly advise the leasing agent to hold a unit for our COP holder. Alondra was initially denied the unit for being under income, but with the Q Foundation's assistance, she was able to secure the last one bedroom unit for herself.

Summary

While there were bumps along the way, for the most part Imagine That Consulting, the marketing and lease up agency for AMCAL, led a successful lease up and met its goals by completing the lease up process by the end of September. In her evaluation of the lease up process, the lead agent said,

"I believe that the households who moved in saw a clear partnership between management and MOHCD-OCII in our collective efforts to provide quality housing and to ensure that their applications were processed fairly and in accordance with the established Resident Selection Criteria. I think this level of transparency goes a long way in building trust in the Hunter's Point-Shipyards community-a population which feels as if their need for affordable housing falls on deaf ears or is ignored."