

118-0352019-002

Agenda Item **No. 8(a)**
Meeting of October 1, 2019

INFORMATIONAL MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Nadia Sesay, Executive Director

SUBJECT: 2800 Arelious Walker Drive (Alice Griffith Phase 4) Marketing Outcomes Project Report, for a recently completed 31-unit HOPE SF affordable housing rental multifamily development, including 19 public housing replacement units, affordable at 50% Area Median Income, and 11 affordable housing rental units, which are affordable at 60% Area Median Income, plus one manager's unit; 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 Project Report ("Project Report") after the full lease-up of each affordable project.

Attached is the Marketing Outcomes Report for the lease-up of 2800 Arelious Walker Drive, also known as Alice Griffith Phase 4, which is the fourth phase of the redevelopment of the Alice Griffith public housing units. Alice Griffith Phase 4 is comprised of 31 one, two, three, four and five-bedroom townhomes and one-story flats, plus one manager's unit, and was developed by McCormack Baron Salazar ("MBS") in partnership with the San Francisco Housing Development Corporation ("SFHDC"). Of the 31 total affordable units, 19 were public housing replacement units for Alice Griffith households, and 11 were new affordable units that were offered through the typical lottery process. Through the lease-up of the Alice Griffith Phase 4 units a significant milestone has been realized; all of the

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on-site public housing households have been rehoused in on-site newly constructed housing units. A total of 226-units in the redeveloped Alice Griffith site are now occupied with Right-to-Return Households from the old Alice Griffith public housing property. The attached Report provides information on the successfully housed applicants occupying the 11 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 4,008 households applied, and eleven of the applicants were COP holders who live in San Francisco and Oakland. None of the COP holders were successful applicants: one was over income; one was under income; five were unresponsive; and four withdrew from consideration. Additionally, 24 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, though they are not considered Right-to-Return Households. A total of four of these former Alice Griffith households were successful at Alice Griffith Phase 4 for a total of 21 households who are now living at the larger 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

Daniel Adams
Acting Director

Marketing Outcomes Project Report
For 2800 Arellio Walker Drive and Alice Griffith Phase 4

On May 6, 2014, the OCII Commission 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.

Project Name	Alice Griffith Phase 4 (AG4)
Project Location	2802 Arellio Walker Drive San Francisco, CA 94124
Project Sponsor	McCormack Baron Salazar, Inc.
Project Lease-Up	John Stewart Company
Project Tenure	100% affordable
Population Type	Family housing
Total Number of Units	31 (11 offered through the lottery)
Units by Type	1 Managers unit 11 Lottery units, including: • 6 – 1 bedroom • 5 – 2 bedroom
Total Number of Applicants for 11 Lottery Units	4,008
Affordability level	60% Area Median Income (AMI)
Construction completion date	December 21, 2018
Marketing start date	January 8, 2019
100% Lease-up date	June 28, 2019
Lottery 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
Number of COP Applicants	11
Number of COP Holders Housed	0
City of Origin of COP Applicants	9- San Francisco 2- Oakland

Reasons for COP Applicants not Housed at Project	1- Over income 1- Under income, no rent subsidy 5- Unresponsive 4- Withdrawn
Total Number of People Housed in the 11 Lottery Units at Alice Griffith Phase 3	35, including 16 Children and 1 adult over the age of 55.

Background

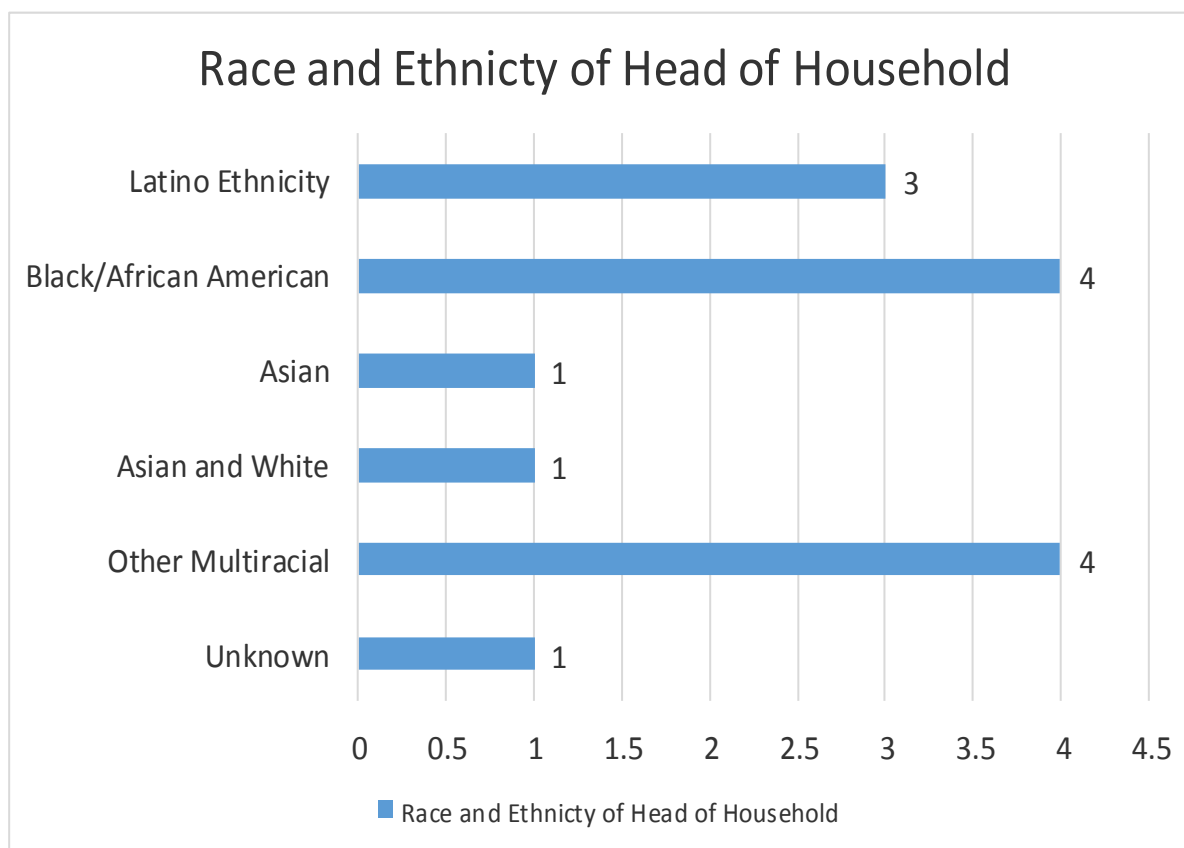
Alice Griffith Phase 4 provides townhomes and one-story flats distributed among three residential floors and provides common open spaces, car and bicycle parking, and a children's play area. The units offered through the lottery were funded with State tax-credits and included one unit for tenant(s) with hearing and visual impairments, and one unit for people with mobility impairments. In addition, the building includes 19 public housing replacement units that were not offered through the lottery system for a total of 31 affordable housing units. All project units are equipped with washers & dryers and energy-efficient dishwashers. Construction began in August 2017.

COP Holder Outcomes

A total of eleven (11) COP holders applied for housing at the Alice Griffith Phase 4 development. Nine of the eleven households who applied were either unresponsive or withdrew from consideration. MOHCD staff contacted the five unresponsive applicant households: two households moved into other MOHCD Inclusionary projects; one household stated they were looking for a 3-bedroom unit; and two other households were actively applying for other affordable housing and chose not to move forward with the opportunity at Alice Griffith Phase 4. The four households who withdrew did not provide specific information for withdrawing.

Alice Griffith Phase 4 Lease-up Demographics

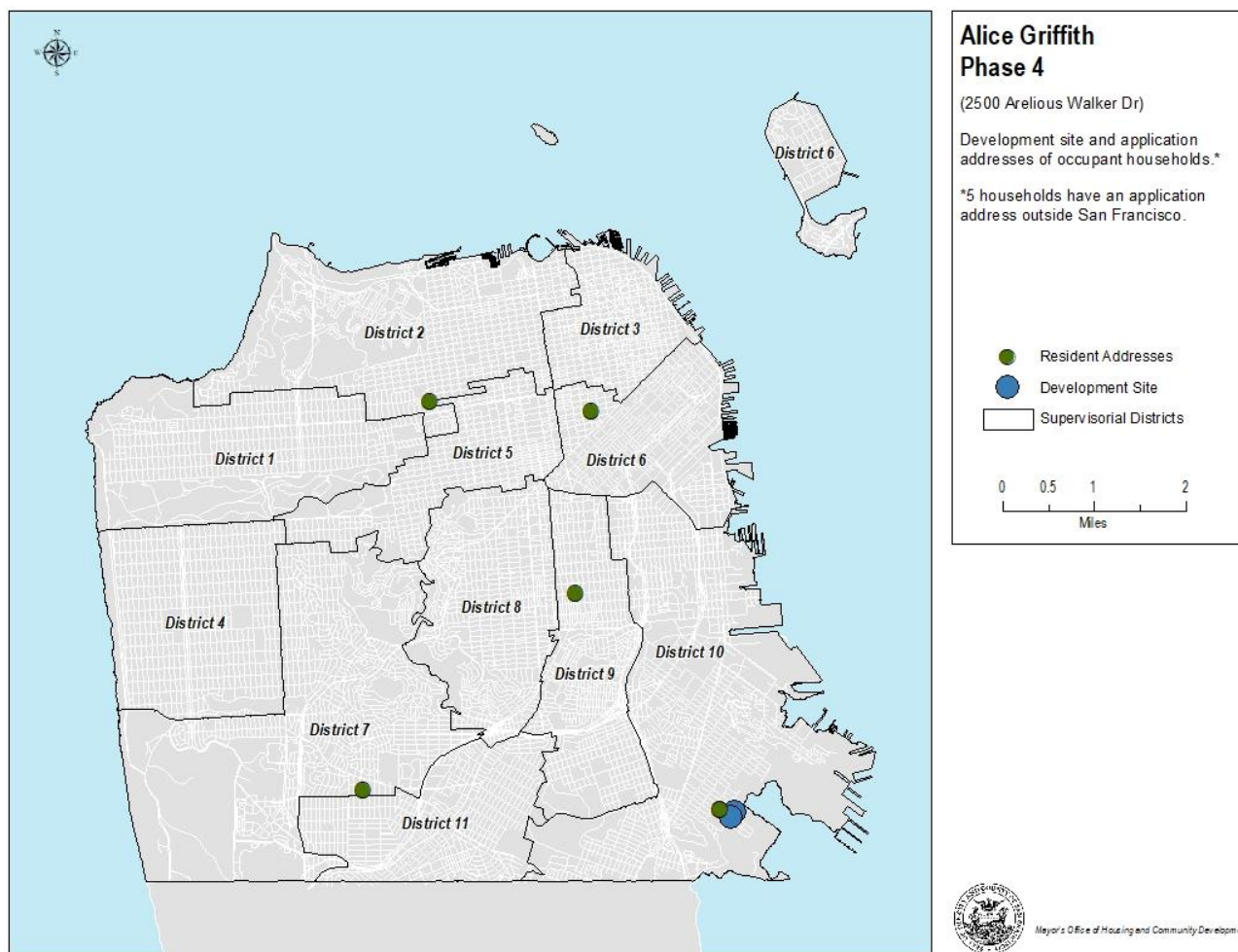
MOHCD uses the same categories as HUD to identify race and ethnicity demographics among applicant head of households. Each head of household is asked to identify their race and ethnicity. 36% of the 11 lottery applicants housed identify their race as African American, while 36% identify as Other/Multiracial, 9% as Asian and White, 9% Asian, 9% declined to state their race. With regard to ethnicity, 27% of the head of household's were of Latino ethnicity.



Alice Griffith is clearly a family centered property as there were 16 children housed in the 11 lottery units.

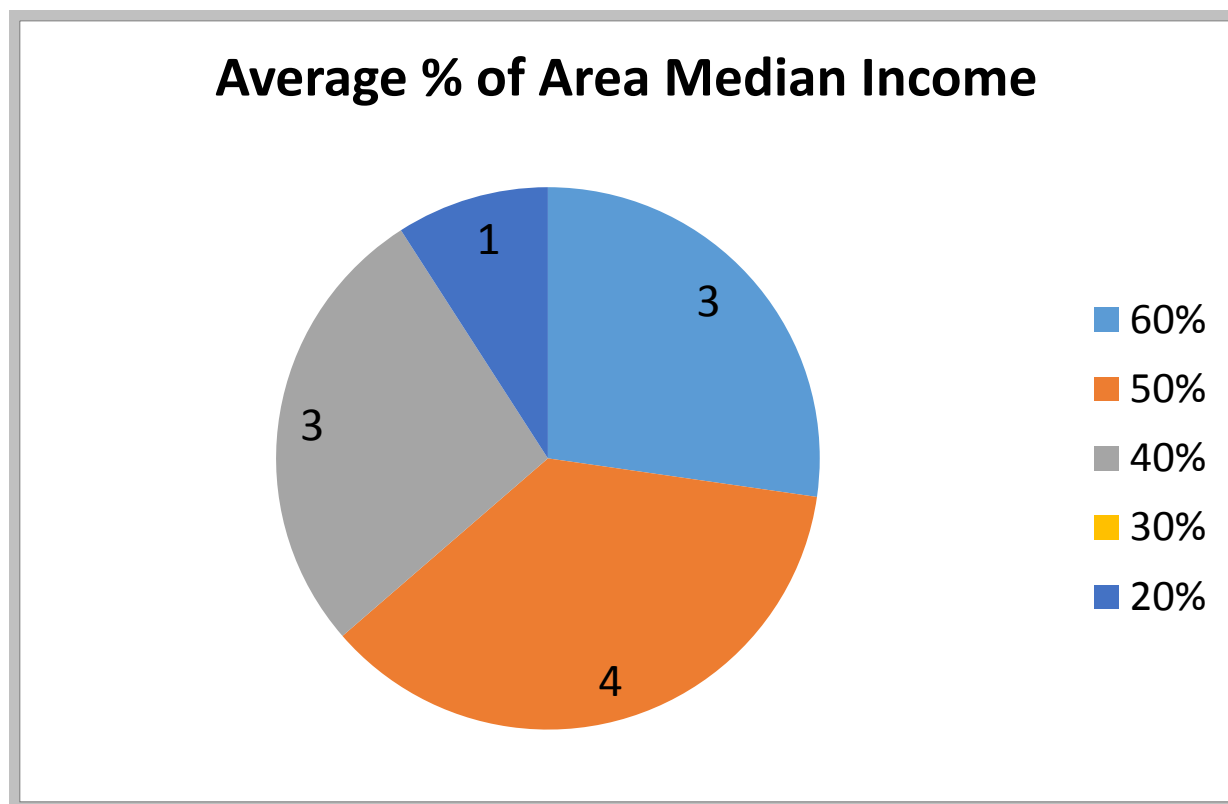
Location of Origin of Successful Applicants

The District Map below illustrates where the 11 applicants who were housed lived at the time of their application. Six of the housed applicants resided in San Francisco including two from District 10. Because of the Rent Burdened lottery preference (#4) and Alice Griffith returnee lottery priority (#1) 45% of applicants housed came from communities outside of San Francisco. Of those five applicants, two resided in Daly City, and a household each hailed from Richmond, Sausalito, and South San Francisco.



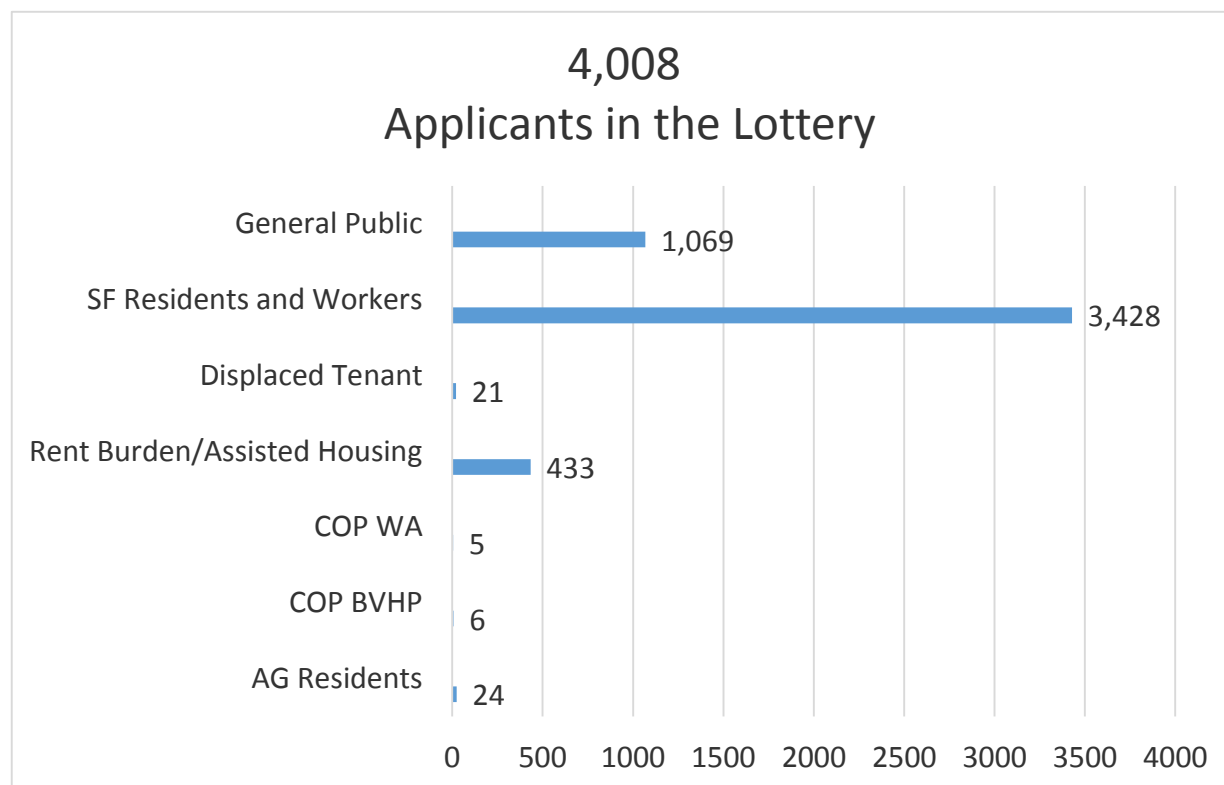
Income Levels Served

Rents at Alice Griffith Phase 4 are set at 60% Area Median Income (AM). The initial rent for a one-bedroom unit is \$1,351 and \$1,504 for a two-bedroom unit. To qualify, a household would need to earn at least two times the rent or \$2,702 for a one-bedroom and \$3,008 for a two-bedroom. The applicant's housed at Alice Griffith Phase 4 satisfied the income standards with earnings ranging between \$11,160 and \$50,000 per year. One particular household was able to meet the minimum income with the help of a MOHCD sponsored rental subsidy from the Q Foundation.



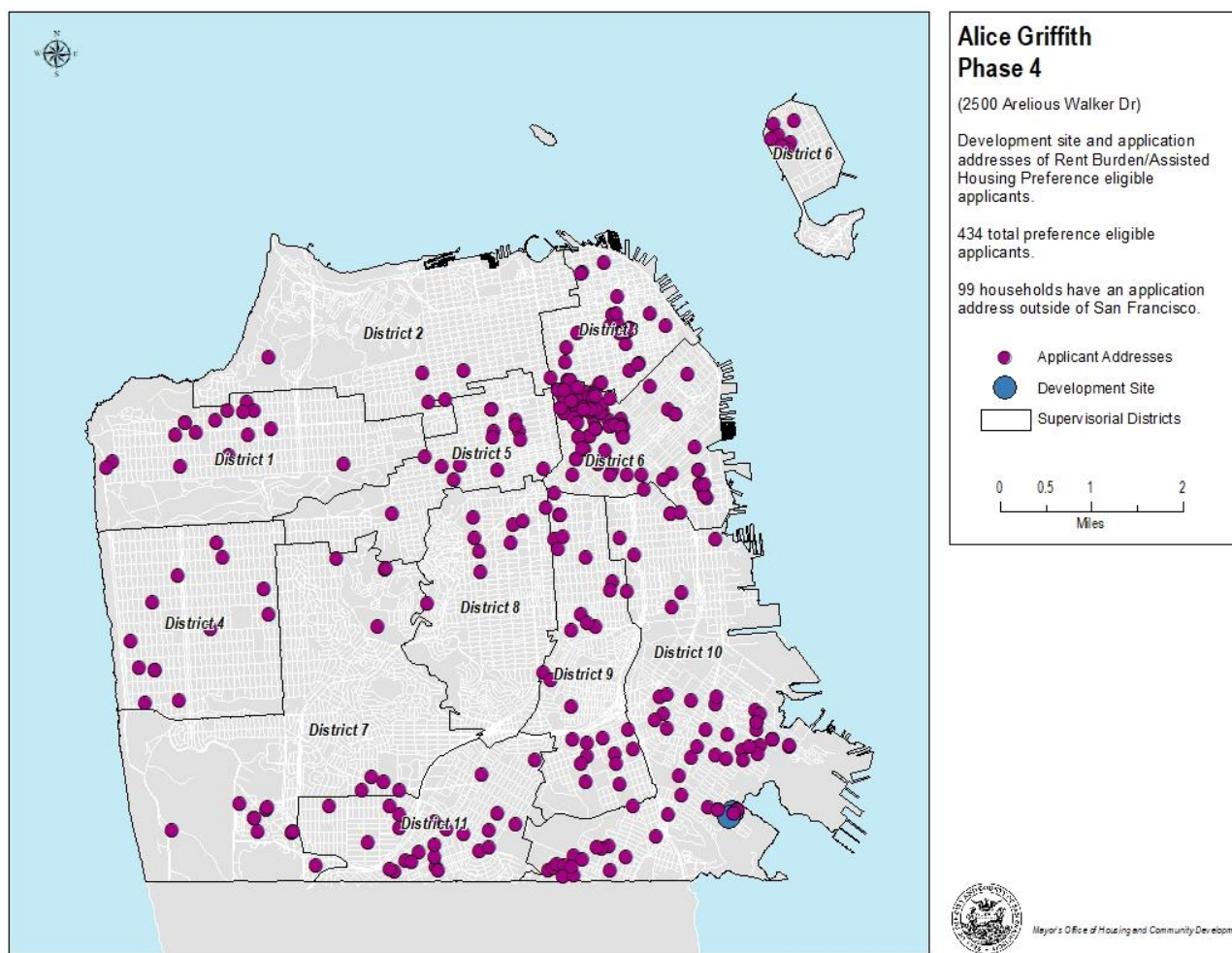
Affordable Housing Lottery Preferences and Priorities

4,008 households applied to Alice Griffith Phase 4 through DAHLIA San Francisco Housing Portal. Only 2% of those were paper applications submitted through MOHCD's PO Box demonstrating the public's warm adoption of DAHLIA as a preferred method for submitting an application. Below is a summary breakdown of the housing lottery preferences for all applicants. We are pleased that all of the residents selected were Alice Griffith Returnees or from the Rent Burden or Assisted Housing pool of applicants.

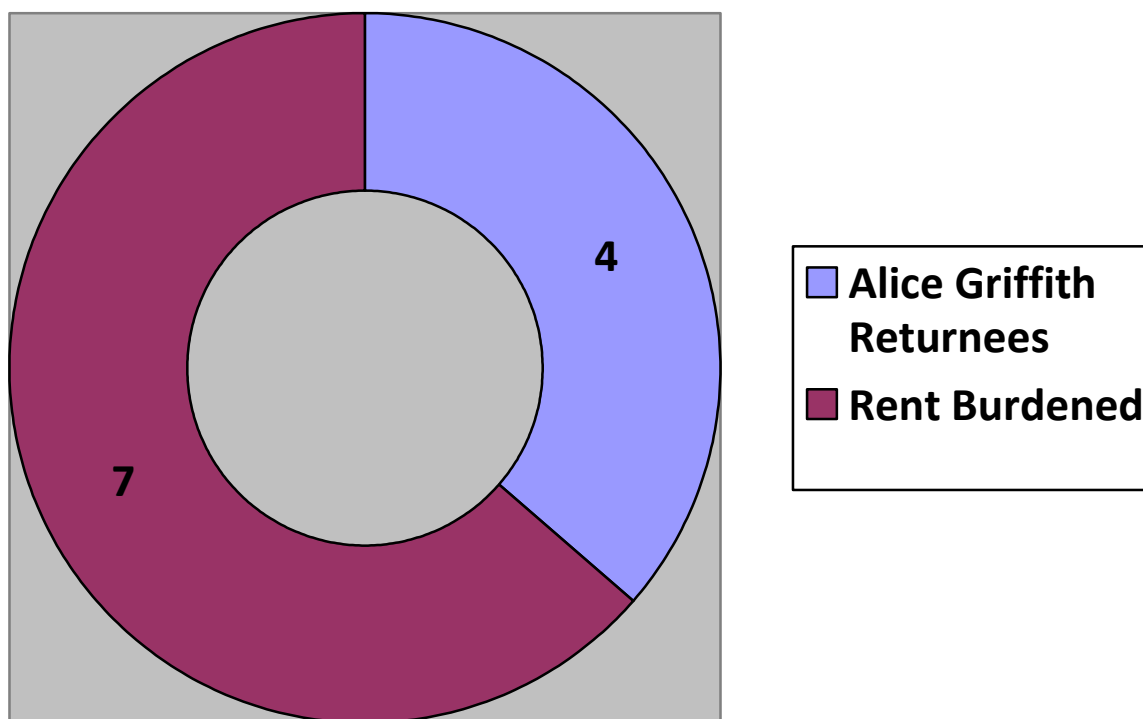


The Rent Burdened or Assisted Housing Preference

The Rent Burdened or Assisted Housing preference serves households who pay more than 50% of their household income in housing costs or live in San Francisco project based HUD subsidized housing. To receive the preference 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 433 applicants. A total of 99 households from this preference lived outside of San Francisco making this preference the only way a non-San Franciscan can be competitive in the housing lottery. The top three cities include Daly City, Richmond and Oakland.



Lottery Preferences of Occupants



AG 4 offered one mobility and one communication unit for those households that indicated on their application that they required such a unit. If a need is unknown or not obvious, documentation from a health care provider, or a reliable third party indicating a household member's need for the features in the unit is required to ensure that this valuable resource are being used as it was intended.

Alice Griffith Phase 4 Success Stories

AGR housed at Alice Griffith Phase 4 (*moved in 5/23/2019*)

“I applied to maybe one or more housing opportunities before Alice Griffith. I just applied online. It was easy. Before moving here, I was living with my sister in-law. I now have a two bedroom for my three month and three year old. I can’t complain. My kids can’t really verbalize how much they like it, but they do. We do a lot more outside entertaining and being in San Francisco, we don’t have much of a commute. I am from San Francisco and I’m used to the City. I like my building. I like how it is situated. I am separate from everyone else. I don’t have any problems with my neighbors. I enjoy the conveniences. Maintenance does well, I don’t have any trouble. They are quick to problem solve. There’s not really too much that I need done. They do great. Everything is fine!”

AGR housed at Alice Griffith Phase 4 (*moved in 5/31/2019*)

“I have applied to hella different housing lotteries in different cities. I was homeless and living in my car. Before that, I was staying with a girlfriend, but good things don’t last forever. I applied on my own, but I did get financial assistance from the Q Foundation. My father lives here too and he gets assistance from them. We are both on disability and unable to work but I love that I can give back to my community coaching junior football. I have a set of twins, a boy and a girl. They love it here. I love it here. I have my own parking space. I’m washing clothes right now! I have a washer and dryer in my unit. Even my neighbors are nice. I talk to my brother through the window. He lives behind me. Last week my kids asked him for some cereal through the window. At first, I felt like the managers gave me the run around. I was ready to give up. It seemed like they were waiting forever for my background or finances to clear, then I got the phone call. Now, I am blessed that I have my own home.”