INFORMATIONAL MEMORANDUM

TO: Community Investment and Infrastructure Commissioners
FROM: Tiffany Bohee, Executive Director
SUBJECT: Alice Griffith Blocks 2 and 4 Schematic Design Application; Hunters Point Shipyard Phase 2 and Candlestick Point Project Area

EXECUTIVE SUMMARY

On January 7, 2014, Office of Community Investment and Infrastructure (“OCII”) staff will present Alice Griffith (“AG” or the “Project”) Block 2 and 4 Schematic Designs for consideration at the Community Investment and Infrastructure Commission (“Commission”). AG is a public housing asset owned by the San Francisco Housing Authority (“SFHA” or “Housing Authority) located within the Candlestick portion of the Hunters Point Shipyard (“Shipyard”) Phase 2 / Candlestick Project Area (“Project” or “Phase 2”) within the Bayview Hunters Point Redevelopment Area. AG’s rebuild is an important community benefit that has been included in the Shipyard Phase 2 Development and Disposition Agreement’s (“DDA”) Below-Market Rate (“BMR”) Housing Plan and is part of the Project’s first Major Phase.

Due to the importance of this long-awaited project benefitting Bayview Hunters Point, staff is providing this Informational Memorandum that gives an overview of the Project and a preview of the AG Schematic Designs for Blocks 2 and 4. This information will be presented in full length at the January 7, 2014 Commission meeting.

The AG Schematic Design application generally follows the Shipyard Phase 2 Design Review and Document Approval Process (“DRDAP”) with the exception that AG Schematic Designs may not be preceded by the approval of the Sub-phase the surrounding property. Because of the tight schedule, which is driven by a federal grant, OCII’s Executive Director will likely approve Sub-phase CP-01 after Commission consideration of AG Schematic Designs.

DISCUSSION

AG, a public housing asset comprised of 256 units and is owned and operated by the San Francisco Housing Authority (“SFHA” or “Housing Authority). The Project is located on Candlestick Point along Aurelius Walker Drive between Carroll Avenue and Gilman Avenue. AG’s rebuild is an important community benefit that has been included in the Shipyard Phase 2 DDA’s BMR Housing Plan and is part of the Project’s first Major Phase. The overall plan for the rebuilding of the Project is to provide new buildings that will include 1-for-1 rebuilding of all 256 AG units in an integrated development that will also include an additional 248 new affordable units for families earning up 50% Area Median Income, or “AMI” (part of the “OCII
Affordable Units" required under the BMR Housing Plan), for a total of 504 units, in order to both retain affordability and establish a mix of incomes.

Phase 2 Affordable Housing Program

The BMR Housing Plan stipulates that 31.36% or 3,345 units of 10,500 units be below-market rate units, including a one-for-one replacement of the existing public housing units ("Alice Griffith Replacement Units"), OCII Affordable Units, Inclusionary Units and Workforce Units. Three primary groups of providers will develop the BMR units: (1) the OCII and qualified housing developers selected by the Agency will develop the 1,140 OCII Affordable Units on the OCII Lots; (2) AG Developer will develop 256 AG replacement units and 248 OCII Affordable Units on the AG lots; and (3) Vertical Developers, including Lennar and its affiliates, will develop 809 Inclusionary Units and 892 Workforce Units in accordance with the BMR Housing Plan.

AG Overview

AG currently consists of 256 units of multi-family public housing and community services including the Alice Griffith Opportunity Center, Hunters Point Family and a community garden as well as play space for an adjacent child care facility. The housing itself is in severe disrepair and must be replaced to preserve the health and safety of AG residents. Through the City's HOPE SF program, the project site will be reconfigured to provide existing residents with completely new, high-quality housing that is both environmentally sound and equipped with modern amenities and will include new affordable housing units available to other low-income households.

CP Development Co., LP, a partnership formed for the specific purpose of developing the Candlestick Point and Shipyard Phase 2 project, and is led by the Lennar Corporation, ("Lennar") has selected, McCormack Baron Salazar ("MBS") to act as the developer for the AG Replacement Projects. MBS has extensive experience in affordable housing throughout the United States and has partnered with Urban Strategies, a non-profit organization that is providing resident-based consensus-building, training, and job linkages for AG residents to ensure that residents are engaged in both the physical and social aspects of the revitalization.

All of the 256 units will be replaced and integrated into newly constructed buildings developed by MBS and will include 248 new affordable units. The first phases of new homes will be built on vacant land adjacent to the Project site, meaning that existing residents will have the opportunity to move directly from their existing homes into new homes without leaving their community or risking displacement.

Choice Neighborhoods Grant

In 2011, the AG public housing site was one of five projects selected nationwide for $30.5 million grants from the U.S. Department of Housing and Urban Development ("HUD") through its Choice Neighborhoods Initiative ("CNI"). The CNI program supports locally driven strategies to address struggling neighborhoods with distressed public or HUD-assisted housing through a
comprehensive approach to neighborhood transformation. The CNI funding comes with a variety of deadlines and deliverables, the most important of which is a statutory obligation that grant funds must be expended by September 20, 2016 and units utilizing these funds must obtain temporary certificates of occupancy by September 20, 2016. In order to maintain the CNI schedule, MBS submitted Schematic Designs for the first two blocks of the new Alice Griffith development for OCII and City departmental review in October 2013 and will be presented to the Commission on January 7, 2014.

After the 256 AG and 248 OCII Affordable units have been completed by MBS, Lennar and third party builders will develop on the remaining AG site (adjacent to the buildings housing the newly constructed 504 units) market-rate and additional affordable units (382 market-rate units, 43 inclusionary units for households earning up to 120% AMI), and 281 workforce units for households earning between 120% and 160% AMI, that will be priced below-market). The 1,210 total units will serve households at all income levels.

Alice Griffith Site: 1,210 Units

<table>
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<tr>
<th>Phase</th>
<th>Construction Start (Est.)</th>
<th>Public Housing Replacement Units</th>
<th>OCII Affordable Units</th>
<th>Workforce Housing Units</th>
<th>Inclusionary Affordable Units</th>
<th>Market Rate Units</th>
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<tr>
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<tr>
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<td>Totals</td>
<td></td>
<td>256</td>
<td>248</td>
<td>281</td>
<td>43</td>
<td>382</td>
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</tbody>
</table>

Design Team Selection

The master plan architect and also architect for Blocks 2 and 4, Torti Gallas and Partners, was selected through a competitive, public procurement process in accordance OCII requirements. Shortlisted firms were interviewed by a panel that included members of the development team, Lennar and OCII before a final selection was made.

AG Development

The DDA originally contemplated that AG replacement units would be distributed throughout the AG site. The DDA provides for flexibility in determining the final AG lot placement. A lot reconfiguration, that was developed with community input, allows that all of the replacement units be built first, on existing vacant land, reducing the potential of “interim moves” (i.e. AG tenants who must move to a unit temporarily before moving a second time to a permanent unit). The total number of units and the total number of blocks assigned with each affordable housing category remains the same. These changes, which accelerate the AG revitalization, and maximize leveraging of the CNI grant funds are included in Major Phase 1-CP that was presented to the Commission in a workshop on November 5, 2013 and which will be presented for Commission consideration on December 17, 2013. The new lot configuration, strategically
locates the replacement affordable housing on seven blocks, the majority of which front a new central park.

The current plan is to rebuild AG in five construction phases. Estimated vertical construction commencement date for each of AG’s five construction phases are provided below. Phases 1 and 2 are being developed concurrently and consists of blocks 2 and 4, which are currently in the Schematic Design phase with a scheduled construction start date of January 2015. The last two phases of AG development are scheduled to begin construction in December 2016 and be complete by May 2018 in concert with Lennar’s infrastructure schedule.

The first three building phases will be located on land currently owned by OCII and State Parks, which are both vacant. (See Attachment 1: Site Map.) Once each of those buildings is complete, AG tenants can move into the new units, leaving vacated buildings that can then be demolished for additional new structures. MBS is in the process of retaining a relocation consultant to develop the relocation plan required by HUD and a replacement housing plan as required by California Community Redevelopment Law. The replacement housing plan will be considered by the Commission in association with the predevelopment funding request in January.

Lennar will be the “master developer” for the larger, 1,210-unit development, and MBS will be the lead developer for the AG public housing replacement units and the OCII Affordable Units on the blocks shown above. Market-rate and workforce lots will be developed by third party developers, including Lennar affiliates, as provided in the DDA. Lennar has completed the schematic designs for infrastructure related to AG, and is on schedule to begin that work in spring of 2014. MBS has completed a master planning process for the entire development (with extensive community involvement) and will now design and develop the AG buildings in phases.

**AG Design Summary (see attached Excerpt from Schematic Design Application)**

**Architectural Overview**

Block 2 and Block 4 sites are central elements of the new AG neighborhood. Being located at the AG’s eastern perimeter, the two blocks create the gateway to the new neighborhood, connecting the higher density affordable housing with the proposed mixed-income, mixed use community and an existing context of single family homes.

The densities on Block 2 and Block 4 range from 72 to 75 units/acre, and represent a mix of housing types (flats and townhomes) reflecting the varying needs of large and small families. A total of 184 units, ranging from one-bedroom to four-bedroom units will be provided within Blocks 2 and 4. Additional five-bedroom units will be provided within subsequent phases.

<table>
<thead>
<tr>
<th>Unit Types</th>
<th>Block 2</th>
<th>Block 4</th>
<th>Sub Total</th>
<th>Total</th>
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<tr>
<td>1BR Flat</td>
<td>23</td>
<td>23</td>
<td>46</td>
<td>46</td>
</tr>
<tr>
<td>2BR Flat</td>
<td>51</td>
<td>47</td>
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<tr>
<td>3BR Flat</td>
<td>4</td>
<td>4</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td>Townhome</td>
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<td>4</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>4BR Flat</td>
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<td>3</td>
<td>6</td>
<td>24</td>
</tr>
<tr>
<td>Townhome</td>
<td>9</td>
<td>9</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>94</strong></td>
<td><strong>90</strong></td>
<td></td>
<td><strong>184</strong></td>
</tr>
</tbody>
</table>
Double loaded corridor buildings with accessible and adaptable design features occupy part of each block. Additionally, the block arrangement includes a hybrid courtyard building, which allows for walk-up units within or at the edge of the block. As a result, three- or four-bedroom units for large families have direct access to the outside without passing through common areas, corridors or elevators. A privately secured parking garage with 55 car spaces, 35 or 36 bicycle spaces, and one dedicated car share parking space is located inside each block. A courtyard at podium level creates community gathering space for residents, extending the community space from indoor to outdoor.

The interior space of the units is designed for comfort and efficiency, with a separation of private and public uses, well-defined dining area and spacious living rooms for family activity. All ground floor units are elevated between 2 feet and 4 feet above the street for privacy. Unit sizes are consistently larger and more efficient than the existing public housing units that they replace.

Accessibility and Sustainability
Unless otherwise indicated by the pending tenant survey, the Project will conform to the OCII standard practice regarding accessibility: 10% accessible units and a maximum number of adaptable units. MBS and Torti Gallas have met with representatives from the Mayor’s Office of Disability twice regarding feedback on the master plan and initial designs for phases 1 and 2.

The building will be highly energy and resource efficient in order to meet or exceed LEED for Homes Mid-Rise Silver Certification. The project is designed to exceed Title 24 Energy requirements by 15%.

Building Form and Materials
The intersection at Arelious Walke Driver and Egbert Avenue, where Blocks 2 and 4 are located, has the highest visibility. Therefore the building massing is broken into a corner signature element that reinforces the statement of a gateway and two 5-story volumes with 3-story bay windows to create a strong sense of identity. The landscape courtyard at podium level and the central park along Egbert is connected visually and physically by a grand staircase in both Block 2 and Block 4. Along the Egbert, Donner and Fitzgerald, building massing scale down from 5 story to 4-story and 3-story to respond appropriately to the street hierarchy. The west side facade along G Street creates 3-story row-house expression, different scales of projections and colors of materials are used to create identity for each unit. The ground floor features residential stoops, landscaped front yards, and tall windows, engaging the pedestrian level walk. The exterior building material palette includes stucco, fiber cement board panels and siding, board formed concrete and concrete masonry units as base with small portion of corrugated and perforated metal panel to punctuate the design and add to the distinct, pedestrian oriented character of the residential neighborhood.

Landscaping
The landscape design is consistent throughout both blocks, with a second level courtyard as the primary exterior living space for residents in each block. The courtyard is divided into a series of
outdoor rooms that support a variety of activities which include: outdoor kitchens, contemplative zones, view terraces, and children’s play areas.

The courtyard design theme is inspired by nature with curvilinear forms crating wave patterns or fallen leave patterns and is consistent with the landscaping elements for the surrounding Major Phase. Each courtyard connects to Egbert Avenue through a grand staircase.

**Design Review and Approval Process**

The Candlestick Point Design for Development (“D for D”) provides land use controls and design guidelines necessary to implement the Project, which includes the construction of infrastructure, parks, and housing. The D for D acts as the zoning for the site, including controls for height, bulk, setbacks and lot sizes, but also establishes more detailed standards and guidelines to ensure that the ongoing physical planning and design of the development results in a highly desirable urban environment. OCII architectural staff uses the D for D as the basis for design reviews.

The Phase 2 DRDAP outlines the necessary documents, schedule, and procedures for the review and approval of design submittals. Under the DRDAP, a series of increasingly detailed design documents are required in the design process. They are, 1) Schematic Design, 2) Design Development, and 3) Construction Documents. The DRDAP requires the first design submittal to be presented to the Commission for review and approval. Any approval of vertical improvements must follow a Major Phase and Sub-Phase approval in accordance with the DRDAP. The AG development is part of Major Phase 1-CP which will be considered by the Commission on December 17, 2013. The AG Schematic Design submittal is deviating from the standard DRDAP in as much as Schematic Designs are being considered ahead of a CP-01 Sub-phase approval. The CP-01 Sub-phase application was submitted to OCII for Review on September 19, 2013 and is currently under review. No major design concerns have been raised in this process and OCII Executive Director approval is anticipated for January 2014. Approving the AG Schematic Designs for Blocks 2 and 4 prior to the Sub-phase approval helps the Project meet the CNI Grant schedule.

For the AG Schematic Design application, OCII has also agreed to eliminate or postpone certain elements that would otherwise be required for a Schematic Design submittal as provided in the DRDAP in order to maximize scheduling efficiencies, but which are inconsequential to the thoroughness or quality of the design review. These elements include: (a) no model is required; the design team will focus on perspective renderings and street views; (b) no axonometric drawings are required; (c) sustainability checklist will not be included with the initial submission for OCII staff review, but will be added and reviewed prior to Commission approval.

**Small Businesses and Local Workforce**

The Phase 2 DDA requires MBS to follow an equal opportunity program, which substantially consists of, 1) the Bayview Hunters Point Employment and Contracting Policy (“BVHP ECP”), 2) the Small Business Enterprise Policy (“SBE”), 3) the Nondiscrimination in Contracts and
Equal Benefits Policy, 4) the Minimum Compensation Policy, 5) the Health Care Accountability Policy, 6) the Prevailing Wage Policy, and 7) the Card Check Neutrality Policy.

Under the BVHP ECP, developers must make good faith efforts to award 50 percent of the contracting opportunities to SBE consultants and contractors with first consideration for businesses with addresses in the BVHP Area (defined as zip codes 94124, 94134, and 94107). The BVHP ECP also requires developers to make good faith efforts to achieve 50 percent local workforce participation, with First Consideration to BVHP Area residents, in construction workforce hiring, permanent/temporary workforce hiring, and trainee program.

In addition, the HUD-funded project is subject to Section 3 of the HUD Act of 1968, which requires that “recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low- or very-low income residents in connection with projects and activities in their neighborhoods.” Following federal guidelines 20% of contracts must go to qualified Minority and Women Business Enterprises that provide opportunities for qualified neighborhood residents and grant recipients are further encouraged to have Section 3 residents make up at least 30 percent of their permanent, full-time staff.

The following design and engineering consultants for Blocks 2 and 4 have been procured and are under contract with the architect: Civil Engineer, Mechanical / Electrical / Plumbing Engineers, Structural Engineer, Landscape Architect, Sustainability Consultant and Waterproofing Engineer. MBS has independently procured and contracted with a geotechnical engineer and has selected an environmental engineer. MBS also anticipates selecting a surveyor and interior design consultant by year end. To date the AG project has achieved 55% SBE participation in consultant hiring, and 52% of the consultants are San Francisco SBE’s. MBS has put out a Request for Qualifications for a General Contractor for Blocks 2 and 4 at the beginning of November. Final selection is anticipated by no later than January 2014.

Community Outreach

The proposed AG Schematic Designs underwent an extensive community process that included a weeklong design charrette and additional public meetings with AG tenants and at the Hunters Point Shipyard Citizens Advisory Committee (“CAC”). The community process is summarized in the attached Design Charrette Summary; the inclusion of community design feedback is further described in the Charrette Results section on page 2 of the Design Charrette Summary (Attachment 3).

NEXT STEPS

On January 7, 2014, OCII staff will present AG Blocks 2 and 4 Schematic Designs for the Commission’s consideration. These designs will be accompanied by a Commission Memorandum that will include a full discussion on staff’s design review, staff recommendations for conditions of approval, and an update on the community engagement and small business participation.
(Originated by Amabel Akwa-Asare, Assistant Project Manager, Hunters Point Shipyard)

Attachment 1: AG site plan
Attachment 2: Excerpt from Schematic Design Application
Attachment 3: Summary of Community Design Charette