

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



London N. Breed
Mayor

Eric D. Shaw
Director

June 11, 2021

Malcolm Yeung
Executive Director
Chinatown Community Development Center
myeung@chinatowncdc.org
Sent Electronically

Re: Notice of Award – 2020 Multisite RFQ Site 1, 772 Pacific Avenue

Dear Malcolm Yeung:

Congratulations! Your development team has been selected by the Mayor to assist the City develop the affordable housing project at 772 Pacific Avenue (Site 1) included in the 2020 Multisite RFQ procurement.

On November 30, 2020, MOHCD issued the 2020 Multisite Request For Qualifications (RFQ) to develop affordable housing on nine sites in San Francisco. Sixteen unique developer teams responded, submitting 24 responses. Developer team selections were the result of a competitive process evaluated by a selection panel made up of two community members and 11 city staff representatives with expertise in affordable housing. Sites where the highest two scores were within four points of each another (out of 100 points possible) were further evaluated resulting in the final development team recommendations.

Next Steps, Goals and Expectations.

This letter provides the basic framework for next steps in planning and developing the site, reiterates goals and objectives, and relays expectations for both the affordable housing project and for the development team.

The nine sites will be developed in two cohorts (see chart). Completion of projects will depend on availability of local funding and competitiveness for CDLAC/TCAC funding.

Anticipated Development Timeline:

- 2-3 Years for predevelopment
- 2 years to build
- Occupancy in 4-5 years

The next step will be for MOHCD to assign a project manager, who will schedule the initial project kick off meeting. When this meeting occurs will depend on which cohort your site is in.

Development Cohorts with anticipated start and completion targets:

Cohort 1	Cohort 2
Planning and development begins Summer, 2021	Planning and development start dependent on funding
772 Pacific (Senior) 1939 Market (Senior) 88 Bluxome (Family) 160 Freelon (Family) 1515 South Van Ness (Family)	967 Mission (Senior) 71 Boardman/356 Harriet (PSH) 725 Harrison (PSH) Pier 70 C2A (Family)
Anticipated completion approximately 2025	Anticipated completion to be determined

Project site in Cohort 1 are expected to move forward into planning and development in the next six months, while sites in Cohort 2 will begin once funding is identified.

Goals, Objectives, Expectations for the Projects

772 Pacific is not expected to qualify for ministerial approvals through SB35 because the site is the location of a legacy business. Development is anticipated to utilize the State Density Bonus Program or the Affordable Housing Density Bonus Program.

Overarching goals for the projects and development teams:

- Provide stable, safe, permanently affordable rental housing for the envisioned target population(s) to help address San Francisco's affordable housing crisis (target populations: seniors, families, HIV positive households and households experiencing homelessness),
- Achieve meaningful cost saving and reductions through efficiencies in planning and development, cost saving in construction, and long-term operational performance of the building(s),
- Support smaller local non-profit organizations especially Black, Brown, Indigenous and other people of color (BIPOC)-led organizations gain experience in housing development leadership roles,
- Proactively address the goals for housing and for building organizational capacity in an open and collaborative manner with other organizations and the city,

- Collaborate and participate in organized group processes that might be coordinated and led by MOHCD; sites in each cohort will be developed in a collaborative manner with development teams interacting and coordinating to support and advance all sites in the cohort to completion,
- Lead with cultural competency reflective of the local neighborhood and historical context,
- Address and respond to the current high cost of housing development in San Francisco through innovative and meaningful near and long-term cost reductions and containment, and
- Attract new forms of capital by developing, or supporting the development of, new partnerships with philanthropic and other giving mission-driven organizations.

MOHCD envisions that development teams within each cohort will collaborate and coordinate with one another throughout the planning and development phases, ensuring that ideas and new approaches to achieving the project goals collectively inform efficiencies and innovations for real cost savings and capacity building across the cohort, while delivering expected levels of housing and services for the community.

Pending underwriting and approval by the Citywide Affordable Housing Loan Committee, the MOHCD commitment to each site is a ground lease on the City-owned land and a portion of the funding necessary to complete the project. MOHCD's principal funding sources include inclusionary housing fees, jobs housing linkage fees, and 2019 Affordable Housing GO Bonds. Insofar as inclusionary fees are not collected due to deferrals or delays, MOHCD will seek to support completion of the predevelopment phases of the projects. Development teams, however, should expect to identify additional sources of funding in order to maximize leveraging of MOHCD funds and land in the project.

To support development teams meet their goals and the goals for their project, MOHCD will create a communication framework to promote collaboration and sharing among all teams in the cohort. The framework may include both group meetings and coordination, and specific development team to development team meetings. MOHCD will:

- Support teams to deploy City resources, tools and expertise to create great projects, while being responsive to populations disproportionately impacted by systemic racism,
- Align each project with the implementation of city policies on anti-displacement, racially inclusive communities, and creating stable housing for vulnerable populations, and
- Support development teams work within a culturally competent approach through the development process.

While MOHCD envisions many opportunities to collaborate, we also recognize each site and project is unique and must include specific and focused community engagement to realize. MOHCD will partner individually with each development team to create and refine an engagement plan to address specific site and project needs and community expectations, and will tailor support to engagement efforts with the community and city leadership as needed.

Again, congratulations and we look forward to working with your team. A MOHCD project manager will be in touch to set up the project kick off meeting. In the meantime, if you have any questions, please reach out to Mara Blitzer at 415-350-7831 (mobile office) or mara.blitzer@sfgov.org.

Sincerely,

A handwritten signature in dark ink, appearing to read "Eric D. Shaw". The signature is fluid and cursive, with the first name "Eric" and last name "Shaw" clearly distinguishable.

Eric D. Shaw
Director