

File No. 230813

Committee Item No. 4

Board Item No. 3

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date September 13, 2023

Board of Supervisors Meeting Date September 19, 2023

#### Cmte Board

<input type="checkbox"/>	<input type="checkbox"/>	Motion
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Resolution
<input type="checkbox"/>	<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	<input type="checkbox"/>	Legislative Digest
<input type="checkbox"/>	<input type="checkbox"/>	Budget and Legislative Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Youth Commission Report
<input type="checkbox"/>	<input type="checkbox"/>	Introduction Form
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Department/Agency Cover Letter and/or Report
<input type="checkbox"/>	<input type="checkbox"/>	MOU
<input type="checkbox"/>	<input type="checkbox"/>	Grant Information Form
<input type="checkbox"/>	<input type="checkbox"/>	Grant Budget
<input type="checkbox"/>	<input type="checkbox"/>	Subcontract Budget
<input type="checkbox"/>	<input type="checkbox"/>	Contract/Agreement
<input type="checkbox"/>	<input type="checkbox"/>	Form 126 – Ethics Commission
<input type="checkbox"/>	<input type="checkbox"/>	Award Letter
<input type="checkbox"/>	<input type="checkbox"/>	Application
<input type="checkbox"/>	<input type="checkbox"/>	Public Correspondence

#### OTHER (Use back side if additional space is needed)

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Request for Qualifications 11/30/2020</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Planning Notice of Final Approval SB 35 Project 5/31/2023</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Notice of Eligibility AB 2162 Approval 7/5/2023</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>BOS Resolution No. 68-20 2/11/2020</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>BOS Resolution No. 320-19 7/16/2019</u>
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Completed by: Brent Jalipa Date September 7, 2023

Completed by: Brent Jalipa Date September 14, 2023

1 [Declaration of City Property - 1939 Market Street and 1515 South Van Ness Avenue -  
2 Exempt Surplus Land for 100% Affordable Housing]

3 **Resolution 1) declaring the City's real property located at 1939 Market Street**  
4 **(Assessor's Parcel Block No. 3501, Lot No. 006) ("1939 Market Property") and 1515**  
5 **South Van Ness Avenue ("1515 SVN" Property, and together with the 1939 Market**  
6 **Property, collectively, the "Property") as Exempt Surplus Land under California**  
7 **Government Code, Sections 25539.4 and 54221(f)(1)(A); 2) affirming use of the**  
8 **Property by the Mayor's Office of Housing and Community Development ("MOHCD")**  
9 **for the development as 100% affordable housing with ancillary commercial space; 3)**  
10 **affirming MOHCD's intent to convey the Property under a long term ground lease**  
11 **with an annual base rent of \$100, annual lease monitoring fee of \$15,000 and**  
12 **restricting the Property for affordable housing and ancillary commercial space; and**  
13 **4) affirming the Planning Department's approval of the projects developed on the**  
14 **Property under Senate Bill (SB) No. 35 or Assembly Bill (AB) No. 2162.**  
15

16 WHEREAS, The Mayor's Office of Housing and Community Development ("MOHCD")  
17 is responsible for the funding and development of affordable housing in the City of and County  
18 of San Francisco ("City"); and

19 WHEREAS, The City, acting through MOHCD, administers a variety of housing  
20 programs that provide financing for the development of new affordable housing and the  
21 rehabilitation of single- and multi-family housing for low- and moderate-income households  
22 and resources for homeowners in San Francisco; and

23 WHEREAS, Pursuant to Resolution No. 68-20, the City acquired real property located  
24 at 1939 Market Street in San Francisco, California, which is comprised of approximately  
25 11,861 square feet and known as Assessor's Parcel Block No. Block 3501, Lot 006 and 007

1 (the “1939 Market Property”) on March 20, 2020, for purpose of developing affordable housing  
2 on the 1939 Market Property; and

3 WHEREAS, Pursuant to Resolution No. 320-19, the City acquired real property located  
4 at 1515 South Van Ness Avenue in San Francisco, California, which is comprised of  
5 approximately 35,714 square feet and known as Assessor’s Parcel Block No. Block 3501, Lot  
6 006 and 007 (the “1515 SVN Property,” and together with the 1939 Market Property,  
7 collectively, the “Property”) on June 17, 2019, for the purposes of developing affordable  
8 housing on the 1515 SVN Property; and

9 WHEREAS, MOHCD published a Request for Qualifications on November 30, 2020,  
10 for the development and management of new affordable housing on nine separate sites  
11 located in various neighborhoods in the City, including the Property; and

12 WHEREAS, Mercy Housing California, a California nonprofit public benefit corporation  
13 (“Mercy”), and Openhouse responded to the RFQ and were selected as the joint developers  
14 of the 1939 Market Property; and

15 WHEREAS, Mercy has established Mercy Housing 109, L.P., a California limited  
16 partnership (the “1939 Market Developer”), as a separate entity under which to develop  
17 and construct affordable housing on the 1939 Market Property; and

18 WHEREAS, The 1939 Market Developer has proposed to develop on the 1939 Market  
19 Property a 100% affordable housing project, with ancillary ground floor commercial space,  
20 consisting of 187 residential units for low income seniors, including 37 units for households  
21 earning up to 15% of area median income (“AMI”), 38 units for households earning up to 25%  
22 AMI, 40 units for households earning up to 30% of area median income (AMI), 20 units for  
23 households earning up to 50% AMI, 50 units for households earning up to 60% AMI, and two  
24 manager's units (the “1939 Market Project”); and  
25

1           WHEREAS, On May 31, 2023, by Notice of Final Approval of an SB 35 Project, the  
2           Planning Department by Case No. 202211045959 and 2022-009171PRJ determined that the  
3           development of the 1939 Market Project met all the standards of the Planning Code and  
4           would be eligible for ministerial approval under California Government Code, Section 65913.4  
5           (Senate Bills 35 and 765), California Public Resources Code, Section 21080, and the CEQA  
6           Guidelines, Sections 15002(i)(1), 15268 and 15369, and would therefore not be subject to the  
7           California Environmental Quality Act ("CEQA"); a copy of the Notice of Final Approval of an  
8           SB 35 Project for 1939 Market Project is on file with the Clerk of the Board of Supervisors in  
9           File No. 230813, and is incorporated herein by reference; and

10          WHEREAS, Chinatown Community Development Corporation, a California nonprofit  
11          public benefit corporation ("CCDC"), and Mission Economic Development Agency, a California  
12          nonprofit public benefit corporation ("MEDA") responded to the RFQ and were selected as the  
13          joint developers of the 1515 SVN Property; and

14          WHEREAS, CCDC and MEDA have established Casa Adelante 1515 SVN Housing  
15          LP., a California limited partnership (the "1515 SVN Developer," and together with the 1939  
16          Market Developer, collectively, the "Developers"), as a separate entity under which to develop  
17          and construct affordable housing on the 1515 SVN Property; and

18          WHEREAS, The 1515 SVN Developer has proposed to develop on the 1515 SVN  
19          Property a 100% affordable housing project, with ancillary ground floor commercial space,  
20          consisting of 168 residential units for low income families, including one manager's unit; 40  
21          units for families experiencing homelessness and earning up to 25% of area median income  
22          (AMI); two units for families experiencing homeless and earning up to 40% AMI; 17 units for  
23          households earning up to 30% AMI; 10 units for households earning up to 40% AMI; five units  
24          for HIV positive households earning up to 50% AMI; 30 units for households earning up to  
25          50% AMI; 45 units for households earning up to 60% AMI; nine units for households earning

1 up to 72% AMI; and nine units for households earning up to 80% AMI.(the “1515 SVN  
2 Project”); and

3 WHEREAS, On July 5, 2023, by Notice of Project Eligible for AB 2162 Approval, the  
4 Planning Department by Case No. 2023-003263PRJ determined that the development of the  
5 1515 SVN Project met all the standards of the Planning Code and would be eligible for  
6 ministerial approval under California Government Code, Sections 65583 and 65650, and  
7 would therefore not be subject to the CEQA; a copy of the Notice of Project Eligible for AB  
8 2162 Approval for the 1515 SVN Project is on file with the Clerk of the Board of Supervisors in  
9 File No. 230813, and is incorporated herein by reference; and

10 WHEREAS, The City, acting through its Real Estate Division and MOHCD, intends to  
11 convey the 1939 Market Property to the 1939 Market Developer and the 1515 SVN Property  
12 to the 1515 SVN Developer under long term ground leases with, among other terms, an  
13 annual base rent of \$100, annual lease monitoring fee of \$15,000, and restricting the use of  
14 the Property only for affordable housing and ancillary ground floor commercial space; and

15 WHEREAS, MOHCD intends to provide the Developers with financial assistance to  
16 combine with other funding sources, including tax exempt bonds, low income housing tax  
17 credits, and state housing loan programs, in order for the Developers to construct the  
18 affordable housing projects; and

19 WHEREAS, As a condition of MOHCD's financial assistance and the benefits received  
20 under SB 35 or AB 2162, the Developers will record restrictions and affordability covenants  
21 against the Projects for the life the Projects, but no less than 55 years; and

22 WHEREAS, The City intends to execute the ground leases after approval by the Board  
23 of Supervisors of the ground lease agreements and approval of construction financing  
24 necessary for each project; and  
25

1           WHEREAS, The 1939 Market Project will satisfy the criteria set forth in Government  
2 Code, Section 25539.4, because 1) at least 80% of the 1939 Market Property will be used for  
3 the development housing, 2) at least 40% of the housing units will be affordable to whose  
4 incomes are equal to or less than 75% of the maximum income of lower income households  
5 (as defined under California Health & Safety Code, Section 50079.5) and at least half of such  
6 units will be affordable to very low income households (as defined under California Health &  
7 Safety Code, Section 50105), 3) the 1939 Market Project will be subject to several regulatory  
8 agreements requiring the 1939 Market Developer to maintain the affordability restrictions for  
9 no less than 55 years; and

10           WHEREAS, The 1515 SVN Project will satisfy the criteria set forth in Government  
11 Code, Section 25539.4 because 1) at least 80% of the 1515 SVN Property will be used for the  
12 development housing, 2) at least 40% of the housing units will be affordable to whose  
13 incomes are equal to or less than 75% of the maximum income of lower income households  
14 (as defined under California Health & Safety Code, Section 50079.5) and at least half of such  
15 units will be affordable to very low income households (as defined under California Health &  
16 Safety Code, Section 50105), and 3) the 1515 SVN Project will be subject to several  
17 regulatory agreements requiring the 1515 SVN Developer to maintain the affordability  
18 restrictions for no less than 55 years; and

19           WHEREAS, The Property to be conveyed to the Developers for development of  
20 affordable housing qualifies as "Exempt Surplus Land" under California Government  
21 Code, Section 54221(f)(1)(A), because the Projects will restrict 100% of the residential  
22 units to low-income or very low-income households pursuant to Government Code  
23 Section 25539.4; and now, therefore, be it

24           RESOLVED, That the 1939 Market Property is hereby declared "exempt surplus land"  
25 under Government Code, Section 54221(f)(1)(A), because 100% of the residential units in the

1 1939 Market Project will be restricted to low-income and very low-income households, and the  
2 1939 Market Property will be conveyed to the 1939 Market Developer pursuant to California  
3 Government Code, Section 25539.4; and, be it

4 FURTHER RESOLVED, That the 1515 SVN Property is hereby declared "exempt  
5 surplus land" under Government Code, Section 54221(f)(1)(A), because 100% of the  
6 residential units in the 1515 SVN Project will be restricted to low-income and very low-income  
7 households, and the 1515 SVN Property will be conveyed to the 1515 SVN Developer  
8 pursuant to California Government Code, Section 25539.4; and, be it

9 FURTHER RESOLVED, That the Board of Supervisors affirms that MOHCD intends to  
10 use the Property only for the development of affordable housing for low-income and very low-  
11 income households with ancillary commercial space; and, be it

12 FURTHER RESOLVED, That the Board of Supervisors hereby affirms that the City  
13 intends on executing ground leases with the Developers consisting of, among other terms, an  
14 annual base rent of \$100, annual lease monitoring fee of \$15,000 and restricting the use of  
15 the Property only for affordable housing and ancillary ground floor commercial space, subject  
16 to approval by the Board of Supervisors of the ground lease agreement form; and, be it

17 FURTHER RESOLVED, That the Board of Supervisors hereby affirms that the 1939  
18 Market Project is eligible for ministerial approval under SB 35 under the Planning  
19 Department's Notice of Final Approval of an SB 35 Project for 1939 Market Project; and, be it

20 FURTHER RESOLVED, That the Board of Supervisors hereby affirms that the 1515  
21 SVN Project is eligible for ministerial approval under AB 2162 under the Planning  
22 Department's Notice of Project Eligible for AB 2162 Approval Project for 1515 Market Project.  
23  
24  
25

1 RECOMMENDED:

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4 /s/  
Eric D. Shaw  
5 Director of the Mayor's Office of Housing and Community Development  
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# ***Request For Qualifications***

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For the development of new affordable rental housing projects on nine separate sites, located in various neighborhoods in the City and County of San Francisco

Issued: November 30, 2020

San Francisco Mayor's Office of Housing and Community Development  
1 South Van Ness Avenue, 5<sup>th</sup> Floor  
San Francisco, CA 94103

Responses due by 4:00 p.m. on January 22, 2021

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## II. INTRODUCTION

The City and County of San Francisco (the “**City**”), acting through the Mayor's Office of Housing and Community Development (“**MOHCD**”), is seeking qualified affordable housing developers (the “**Selected Developers**”) to assist the City in developing permanently affordable rental housing for seniors, families and homeless people (the “**Projects**”) on nine distinct sites located in various San Francisco neighborhoods (the “**Sites**”) through this Request for Qualifications (this “**RFQ**”). The Sites, their characteristics and standards for development for each Project are described in Section IV, “Context” below.

Pursuant to San Francisco Administrative Code Chapter 47, MOHCD has adopted explicit policies in its Certificate of Preference (“**COP**”), Displaced Tenant, and Neighborhood Resident Preference Programs which provide historically displaced and vulnerable populations who reside within the community preference in obtaining access to quality affordable housing. In an effort to redress past and present inequities, MOHCD is developing the Sites with these populations in mind. Successful developers will have direct experience working with COP holders, or populations who share characteristics with the COP population.

Among the goals of this RFQ are to:

- Align each development program with the implementation of city policies on anti-displacement, racially inclusive communities, and creating stable housing for vulnerable populations;
- Ensure that development teams are working within a culturally competent approach through the development process;
- Create opportunities for growth of smaller and Black, Brown, Indigenous and other people of color, (BIPOC)-led organizations in development role or as members of the development team;
- Select partners that are able to work with MOHCD to deploy city resources, tools and expertise to create developments that are responsive to populations disproportionately impacted by systemic racism.

MOHCD is issuing this RFQ for multiple sites to facilitate, economize and streamline the process for the development of affordable housing. Qualified affordable housing developers that respond to this RFQ (“**Respondents**”) may apply for consideration for selection for as many of the sites as they see appropriate. **A separate application packet must be submitted for each site, including all appendices and exhibits.**

For consideration for selection as a Selected Developer, Respondents should meet the following qualifications:

Dependent on the target population of a particular site for which a responsive document is submitted, respondent teams to this RFQ must be comprised of:

- At least one San Francisco-based non-profit development entity whose mission includes the development of affordable housing in low-income communities, with experience developing housing for the identified priority populations (such as Certificate of Preference Holders, displaced tenants, neighborhood residents, San Francisco residents, seniors, families, HIV Positive households and/or formerly homeless households) acting either as sole developer or as a partner in a joint venture, or joint-venture partner, defined as a nonprofit organization (either or both organizations may be incorporated as a non-profit);
- A property owner entity with experience owning housing for low-income communities, including for priority populations (such as COP Holders, displaced tenants, neighborhood residents, San Francisco residents, seniors, families, HIV Positive households and/or formerly homeless households);
- A property management entity with experience managing housing for low-income communities, including for priority populations (such as COP Holders, displaced tenants, neighborhood residents, San Francisco residents, seniors, families, HIV Positive households and/or formerly homeless households);
- At least one services-providing entity with experience providing services appropriate for the intended target population(s) of each site.

MOHCD's expectations for responsive submittals include a thorough discussion of Respondents' background in developing and managing permanently affordable housing for the priority/targeted populations. Responses should include both a background and a vision statement articulating the application of best practices for the successful development of affordable housing and the achievement of desired outcomes and goals.

Respondents should align their development approach with the key findings articulated in MOHCD's Theories of Change as discussed in the **2020-2024 Consolidated Plan** (see:

<https://sfmohcd.org/sites/default/files/Documents/Reports/REVISED%20Full%20Amended%202020-2024%20Consolidated%20Plan%20and%202020-2021%20Action%20Plan%20Sept%202020%20-%20Reduced.pdf>.) MOHCD has

determined that the optimum way to address the City's priority needs is to work towards a set of five interconnected, multidisciplinary objectives that cross program areas and utilize leveraged strategies both internally and across multiple city departments. These five objectives are:

- Objective 1: Families and individuals are stably housed
- Objective 2: Families and individuals are resilient and economically self-sufficient
- Objective 3: Communities have healthy physical, social, and business infrastructure
- Objective 4: Communities at risk of displacement are stabilized
- Objective 5: City works to eliminate the causes of racial disparities

MOHCD has also identified five target populations based on the findings from the Consolidated Plan community engagement process. These are:

- Households experiencing a legacy of exclusion
- Households destabilized by system trauma
- Households with barriers to access to opportunities
- Extremely and very low-income households
- Households at risk of displacement

Expectations for development of all Sites include:

- Maximize the number of priority placements into the Sites (COP holders, etc.)
- Maximize (meet or exceed) the City's requirements for promotion of SBE/LBE organizations with contracts and local hiring with construction labor
- Create opportunities for growth of smaller and Black, Brown, Indigenous and other people of color, (BIPOC)-led organizations in development role
- Development of affordable housing structures containing an appropriate number of units;
- Maximization of the number of units and density within a mid-rise construction type (75' occupied space) and/or limit of per unit City contribution to at or below average of similar, while balancing community input on unit configuration and size - in limited cases a high rise may be acceptable to the City;
- Provision of ground floor commercial spaces that serve the neighborhood (including the residents of the Project), with specific programming determined through a comprehensive community outreach process where ground floor commercial uses are appropriate and feasible;
- Conduct community outreach to engender support for the Project;
- Secure construction and permanent financing that minimizes City resources to the greatest extent possible, e.g. a State of California, Housing & Community Development (HCD) loan and/or the City's No Place Like Home (NPLH) loan for homeless households;
- Commence construction on the Projects as soon as possible, using streamlined ministerial approval processes. For example, SB35 may be used in conjunction with the Affordable Housing Density Program or the State Density Bonus Program.
- Provide on-site services to formerly homeless residents at a cost-effective case management ratio (approximately 1:20) depending upon sub-population – consult with the Department of Homelessness and Supportive Housing (“HSH”) for expected ratio for senior, family, TAY or other special needs populations referred from Coordinated Entry and expecting to utilize a City subsidy for operations or services.
- Provide initial draft marketing plans within 18 months of anticipated Temporary Certificate of Occupancy (“TCO”), outlining the affirmative steps Respondents will take to market each Project to the City's preference program participants including Certificate of Preference (COP) Holders, Displaced Tenants, and

Neighborhood Residents, as well as how the marketing is consistent with the Mayor's Racial Equity statement and promotion of positive outcomes for African American San Franciscans.

- **MOHCD will be requesting demographic** data regarding the Boards of Directors of member organizations of the Development Team's and of the staff of the Respondents that are selected.

**MOHCD is not seeking submissions that include elevations, pro forma statements, or detailed financial feasibility analyses.**

MOHCD intends to transfer the Sites (subject to final approval by the Board of Supervisors) to qualified developers for these purposes through long-term ground leases. Maximum rents will be restricted to an unsubsidized average income of 60% Unadjusted San Francisco Area Median Income ("AMI"), as defined by MOHCD. Some portion of the units must be set aside for extremely-low income (30% AMI) households that are not homeless and will enter the lottery process. At least 5 units per site (10 for Pier 70) must be set aside for referrals from the Plus Housing list, with the rents set at no more than 50% AMI. For more information about MOHCD's Plus Housing program, please see this page on our website: <https://sfmohcd.org/plus-housing>.

Sources of funds for development of these nine sites include, but are not limited to, 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.

**MOHCD WILL ONLY ACCEPT ELECTRONIC SUBMISSIONS. Electronic responses delivered to this RFQ must be received by MOHCD no later than 4:00 PM on January 22, 2021. Responses are to be delivered via Drop Box to [mohcdrfq9@sfgov.org](mailto:mohcdrfq9@sfgov.org). Facsimile responses will not be accepted.**

### **III. IMPORTANT DATES AND SUBMISSION PROCESS**

#### **A. IMPORTANT DATES**

RFQ available at MOHCD Website	NOVEMBER 30, 2020
Submit completed RFQ Registration Forms to MOHCD	DECEMBER 18, 2020
Pre-submission conference via Zoom or MS Teams	DECEMBER 18, 2020

Deadline for questions and requests for additional information	JANUARY 4, 2021
Deadline for submitting qualifications	JANUARY 22, 2021
Notification to development teams who met submission requirements	MARCH 1, 2021
Development team interviews, if necessary	MID-MARCH 2021
Announcement of selection of development teams	LATE MARCH 2021 TO EARLY APRIL 2021
Deadline for Objections	APRIL 2021

## **B. PRE-SUBMISSION MEETING**

MOHCD will hold a pre-submission conference via ZOOM or Microsoft Teams on December 18, 2020 at 2:00 p.m. The purpose of the meeting is to ensure that interested developers understand the minimum qualifications requirements and the selection process. Questions raised at the conference may be answered verbally at that time. If any substantive new information is provided in response to questions raised at the pre-submission conference, MOHCD will issue a written addendum to the RFQ (in the form of a Question and Answers document) with this information to all parties that have registered for the RFQ. No questions or requests for interpretation will be accepted after January 4, 2021. Attendance at the pre-submission conference is highly recommended but not mandatory. Please see below regarding **Attachment 2 - RFQ Registration Form**.

## **C. REGISTRATION FOR RFQ REQUIRED**

To receive MOHCD's responses to requests for additional information and to questions about this RFQ, and to submit a qualification package, all interested parties must submit a completed RFQ Registration Form to MOHCD by December 18, 2020. All addenda, responses and instructions for electronic submission will be distributed to all parties who have submitted a registration form in accordance with Section IIB above. MOHCD reserves the sole right to determine the timing and content of the response, if any, to all questions and requests for additional information. Questions and information requests should be submitted to the contact person identified in Section III(B).

## **D. QUESTIONS AND REQUESTS FOR INFORMATION**

All questions and requests for additional information regarding this RFQ must be submitted by e-mail to **mohcdrfq9@sfgov.org**. Questions received after the deadline may not be answered. All addenda, response, and additional information will be



distributed to all parties who have submitted a registration form in accordance with Section III(C).

#### **E. CONTACT PERSON, SUBMISSION DEADLINE AND PLACE**

All communications about this RFQ should be directed to Mara Blitzer at [mohcdrfq9@sfgov.org](mailto:mohcdrfq9@sfgov.org).

Respondents to this RFQ must submit one (1) electronic copy of each of their proposals to MOHCD via **SFSecureShare**, no later than 4:00 PM, January 22, 2021. **Proposals are to be delivered by email at [sfmohcdrfq9@sfgov.org](mailto:sfmohcdrfq9@sfgov.org) by providing a DropBox link. Respondents who submit registration forms will be advised of any information necessary for the electronic submittal process.**

#### **IV. CONTEXT**

##### **A. THE SITES**

Nine sites are contemplated for development in this RFQ. Sites One through Three are intended to be developed as Senior Housing. Sites Four through Seven are intended for development as Family Housing. Sites Eight and Nine are intended for development as supportive housing for homeless people. **Target populations for all sites include persons with special needs as well as those who are eligible for residential priority placements through the City's lottery preference programs.** All sites are expected to qualify for ministerial approvals from the Planning Department through SB35, which may be used in conjunction with the State Density Bonus Program or the Affordable Housing Density Bonus Program. A map showing the location and configuration of the sites is attached as Exhibit 1.

<b>Site Number</b>	<b>Site Name</b>	<b>Site Address</b>	<b>APN</b>	<b>Proposed Use</b>
One	Pacific Avenue	772 Pacific Avenue	0161/015	Senior Housing
Two	Mission Street	967 Mission Street	3725/086	Senior Housing
Three	Market Street	1939 Market Street	3501/006	Senior Housing
Four	South Van Ness	1515 South Van Ness Avenue	6571/008	Family Housing
Five	Bluxome Street	88 Bluxome Street	3786/037	Family Housing
Six	Pier 70 C2A	Unassigned (Parcel C2A)	Various	Family Housing
Seven	Freelon Street	160 Freelon (598 Brannan) St	3777/045	Family Housing
Eight	Boardman Place	71 Boardman Place	3779/084	Supportive Housing
Nine	Harrison Street	725 Harrison Street	3762/117	Supportive Housing

Depending upon the amount of Due Diligence documentation that has been prepared for the various sites and the age of those documents, the selected Developers may need to commission their own studies as part of design and engineering work post selection. Documents available for each site are listed in the description of each site, below. For purposes of this RFQ, it is assumed that following any required mitigation, soil and subsoil conditions on the Sites is sufficient to support development that complies with the maximum allowable height, bulk and density limitations of the Site's applicable zoning requirements.

## **B. SENIOR HOUSING**

Expectations for Senior Housing: The City expects the Selected Developer(s) to do the following:

- Meet the expectations listed in the Introduction for households aged 62 and older;
- Serve formerly homeless seniors, in units subsidized by the City's Local Operating Subsidy Program ("LOSP") and a City services contract. 20% of the total number of units will be LOSP-subsidized units for formerly homeless seniors;
- Set aside at least 5 units for households on the City's Plus Housing List, with rents set no greater than 50% AMI;
- Provide on-site services to formerly homeless residents at a cost-effective case management ratio (1:20);
- Achieve a feasible project within the funding constraints, namely, \$250,000 of MOHCD subsidy per unit.
- Maximize the number of target population placements into the Project (COP holders, etc.).

LOSP will be available to units serving the formerly homeless seniors. The LOSP will be administered through a 15-year contract with MOHCD, to cover the difference between tenant-paid rents for LOSP units and operating expenses attributable to LOSP units. LOSP operating subsidy calculations should account for all typical costs of operations, reserves and fees on a pro-rata basis. LOSP subsidies may not be used to pay hard debt service, other than qualified minimal debt service payments for state financing. Applicants offering LOSP units will need to apply for funding for provision of services to these formerly homeless households through the Department of Homelessness and Supportive Housing. Section 8 project based rental assistance is not anticipated to be available at this time.

### **1. Site One, 772 Pacific Avenue**

#### **a) *Background Information***

772 Pacific Avenue, ("Pacific Avenue") (Block 0161 Lot 015) is located on the northern side of Pacific Avenue between Grant Avenue and Stockton Street in

San Francisco's Chinatown neighborhood. Pacific Avenue is a rectangular-shaped lot of 9,219 square feet and is currently improved with a restaurant within a two-story commercial building of 13,271 square feet constructed in 1919. There is no basement beneath the structure. The building was renovated circa 1971 into the current restaurant from a former garage facility. The building occupies the majority of the parcel with the exception of a paved municipal sidewalk on the south side along Pacific Avenue. Located at an elevation of approximately 85 feet above mean sea level (msl), the property slopes down to the east along the front sidewalk. The City purchased the site in June 2017.

Chinatown is the most densely populated urban area west of Manhattan, with 34,557 residents living in 20 square blocks. 78.79% of the population is Asian, 1.10% of the population is Black and 14.68% of the population is White. The median age is 50 years, the oldest of any neighborhood. San Francisco's median household income stands at \$91,938. In Chinatown, the median household income is \$25,909. Nearly a third of its residents live below the poverty line. Most residents are monolingual speakers of Mandarin or Cantonese; in 2015, only 14% of households in the SROs were headed by a person that spoke English fluently.

As of 2015, two thirds of the residents live in one of Chinatown's 105 single room occupancy hotels (SROs), 96 of which have private owners and nine are owned by nonprofits. There are three former public housing projects in Chinatown, 990 Pacific, Ping Yuen and North Ping Yuen.

The Chinatown area is primarily composed of small-scale buildings. Most existing buildings are quite low and due to the pattern of the lots, many are relatively short in depth. The typical lot size is only 3,500 square feet. The few large buildings in the area intrude into this fine-scaled texture of development. Land uses in Chinatown generally consist of medium density residential, neighborhood commercial, community business, and visitor retail.

While Census Tract 6075-010700, in which the site is located, has not been designated a Disadvantaged Community by CalEnviroScreen, the social and economic characteristics of the area lead to concern about the quality of living conditions for the largely elderly or immigrant populations. The census tract has a CalEnviroScreen of 25.63. The score reflects that 86.37 percent of the area's population lives below two times the federal poverty level, 93.67 percent of the population has less than a high school education, 99.87 percent are linguistically isolated. Seventy-four percent (74.38%) of the area's population is both low income and severely housing burdened, meaning that they pay more than 50% of their income for housing.

Once complete, the Central Subway will link the Third Street light rail service with the South of Market, Union Square and Chinatown neighborhoods. It is anticipated that provision of better transit service and connection to

neighborhoods currently not served by a subway would facilitate a mode shift from vehicles to transit. Additionally, the proposed housing project is consistent with the strategies and furthers the objectives of the Sustainable Chinatown initiative. Read more here: [https://sustainablechinatown.org/wp-content/uploads/Strategies-for-a-Sustainable-Chinatown\\_WEB.pdf](https://sustainablechinatown.org/wp-content/uploads/Strategies-for-a-Sustainable-Chinatown_WEB.pdf).

#### ***b) Zoning/Land use Entitlements***

The Subject Property is zoned CRNC – Chinatown Residential-Neighborhood Commercial and is located within the Chinatown neighborhood. Housing development in new and existing buildings is encouraged above the ground floor. The residential density allowed in the CRNC District is one dwelling unit per 200 square feet of lot area (46 units) or one group housing room per 140 square feet of lot area (66 rooms). The Subject Property is located in the 65-N Height and Bulk District.

The restaurant located on the Subject Property, the New Asia Restaurant, is classified as a Legacy Business and has expressed interest in returning to the site upon development of affordable housing.

A project on Pacific Avenue is eligible for approval using the State Density Bonus Program for 100% Affordable Housing (also known as AB 1763), which provides three additional stories, form-based density, and up to four incentives/concessions. The project may also be eligible for approval under the Affordable Housing Density Bonus Program (AHBP), as long as the project is compliant with all objective standards of the Planning Code plus the allowable Zoning Modifications provided by the AHBP in Planning Code Section 206.4(c)(5). The AHBP also provides three additional stories of height and form-based density. Either program may be used in conjunction with SB 35 for ministerial approval.

#### ***c) Soil and Environmental Conditions***

A Phase One Environmental Site Assessment (“ESA”) was conducted on November 21, 2020 by EBI Consulting (“EBI”). The ESA found no evidence of recognized, historical, or controlled environmental conditions. However, EBI made the following recommendations:

- Conduct a Ground Penetrating Radar (“GPR”) survey and Phase II Assessment to evaluate potential presence and impact from gasoline Underground Storage Tank (“UST”) installed in 1953.
- Develop and implement an Asbestos Operations and Maintenance (O&M) Plan. Address limited damaged suspect ACM in accordance with O&M Plan.
- Conduct a limited subsurface investigation to characterize subsurface conditions at this location.

TR&A conducted a Phase II site assessment in March 2017 which confirmed the presence of an abandoned UST.

**d) Available Due Diligence Documents**

- Phase I Environmental Site Assessment, 772 Pacific Avenue, San Francisco, California, EBI Project No. 1116005897, November 21, 2016
- UST Assessment at 772 Pacific Ave., San Francisco, CA. TR&A, Inc. March 15, 2017.

**2. Site Two, 967 Mission Street**

**a) Background Information**

967 Mission Street, ("Mission Street Site") (Block 3725 Lot 086) is located on the southern side of Mission Street midblock between Mary Street and Sixth Street in San Francisco's SOMA neighborhood. It is an 8,777 square foot rectangular parcel with frontage on both Mission and Minna Streets. Currently the site serves as a surface parking lot (approx. 36 parking stalls) with chain link fencing at the back of each sidewalk/at the property line. The City acquired the site in 2019 as a land dedication as part of an agreement between the City and the developer of the 5M project.

The development of SOMA has been largely influenced by its proximity to railroads, the waterfront and freeways. These factors created a neighborhood that historically functioned as a nexus for industry and transport, and was as at one time one of the City's most densely populated residential areas. Historically, it has been home to a primarily working-class, immigrant labor force. These dynamics have their origins in the first decades following the Gold Rush and continued to serve as primary forces shaping the neighborhood well into the 21st century. More than any other neighborhood, SOMA's development has been influenced by the confluence of events of the 20<sup>th</sup> Century, including the Great Earthquake of 1906, the Depression, construction of the Bay Bridge, the demise of heavy industry, and Redevelopment.

SOMA has always played an important role in housing low- and moderate-income San Franciscans in various forms, from the SRO hotels that historically primarily housed single men and residential towers dedicated to housing seniors, to the modest family-oriented housing that has lined the alleys. In more recent decades, a substantial amount of market-rate housing (generally affordable to those with higher incomes) has been created, as well as conversions of older warehouses. These buildings included condominiums, apartment buildings, and live-work lofts. The neighborhood also includes a homeless population, many of whom come to the neighborhood to use the services available here, including a large shelter located at 5th and Bryant Streets. The result is that today SOMA has an incredibly diverse population in terms of race, income, and unit size. This diversity is a critical part of its neighborhood character.

Culturally, SOMA has great importance to the Filipino and LGBTQ communities. The Site is within the “SOMA Pilipinas”, a portion of SOMA officially recognized by the City of San Francisco and the State of California as SF’s Filipino Cultural Heritage District. According to the 2010 U.S. Census, more than 5,000 Filipino-Americans call this area their home. The establishment of Filipino ethnic enclave in the area was the result of a combination of factors that included inexpensive housing, proximity to both the waterfront and service industry jobs downtown, two Catholic parishes, and an established multi-ethnic population.

Other groups such as artists, activists, and sexual minorities, also moved to the South of Market area. The primarily industrial and commercial emphasis attracted nightlife and other entertainment uses with less friction compared to more residential neighborhoods. Although the area eventually became known primarily for its leather subculture, the South of Market area featured a variety of establishments, including bars, bathhouses, and dance clubs, that catered to a cross-section of San Francisco’s diverse LGBTQ community.

Located in Census Tract 6075-017601, the area has been designated by the California Environmental Protection Agency CalEnviroScreen as a Disadvantaged Community that is disproportionately burdened by multiple sources of pollution. The potential vulnerability of the population to the effects of pollution is among the highest in the State of California. The tract is in the 99th percentile for exposure to diesel particulate matter, the 97th percentile for proximity to toxic cleanup sites, the 92nd percentile for incidence of asthma and the 97th percentile for incidence of low birth weight.

The population of the Census Tract is 7,630 persons. Of these, 5.6 percent is below the age of 10, 85.1 percent falls between the ages of 11 to 64, and 9.3 percent is over the age of 65. It has a CalEnviroScreen score of 41.93 placing it in the 78th percentile of impacted communities disproportionately affected by pollution. This score reflects that 52.3 percent of the area’s population lives below two times the federal poverty level, 15.1 percent have less than a high school education, 14.6 percent are linguistically isolated, and 28.7 percent is both low income and severely housing burdened, meaning that they pay more than 50% of their income for housing. The area is subject to advanced gentrification and is one of San Francisco’s Census Tracts with the highest risk of displacement.

According to the 2010 census, the racial/ethnic makeup of the Census Tract is 31.6 percent White, 13.6 percent Hispanic, 12.9 percent African American, 36.4 percent Asian, 1 percent Native American and 4.5 percent identified as other. Due to the ethnic/racial makeup and the poverty index, the area would be classified by HUD as an environmental justice community. As such it must be determined whether development of the Project would expose Project residents to adverse environmental effects and if so, documentation that the

affected community residents have been meaningfully informed and involved in a participatory planning process to address (remove, minimize, or mitigate) the adverse effect will be required.

***b) Zoning/Land use Entitlements***

The Site is located in the C-3-S- Downtown Support zoning district, which permits the variety of uses found on the blocks surrounding Yerba Buena Gardens. This includes special uses supporting functions such as wholesaling, printing, building services and secondary office spaces. The site is an Article 38 Air Pollution Zone and within the Filipino Cultural Heritage District. There is no residential density limit in the C-3-S Zoning District. Density is regulated by the permitted height and bulk, required setbacks, exposure and open space of each development lot. The Site is located in the 160-F height and bulk district.

A Project on the Site is eligible for approval using the State Density Bonus Program, which provides up to 35% additional density, up to three incentives/concessions and unlimited waivers. The project may also be eligible for approval under the Affordable Housing Density Bonus Program (AHBP), as long as the project is compliant with all objective standards of the Planning Code plus the allowable Zoning Modifications provided by the AHBP in Planning Code Section 206.4(c)(5). The AHBP also provides three additional stories of height and form-based density. Either program may be used in conjunction with SB 35 for ministerial approval.

***c) Soil and Environmental Conditions***

A Phase One Environmental Site Assessment was conducted by PANGEA Environmental Services, Inc in August 2015. No Recognized, Historical or Controlled Environmental Conditions were discovered. The Site is not listed on any database searched by Environmental Data Resources (EDR) as part of the Phase One ESA. The Site is not currently within the Maher Ordinance but is surrounded by Maher Ordinance coverage. During the site permitting process for development, the City may require subsurface assessment to evaluate subsurface conditions. If chemical impact is encountered during site assessment, a site mitigation plan may be required by the San Francisco Department of Public Health (“DPH”). No non-ASTM considerations were identified during the course of the Phase One Assessment.

***d) Available Due Diligence Documents***

- Phase I Environmental Site Assessment Report, 967-971 Mission Street, San Francisco, California, August 10, 2015
- ALTA/NPS Land Title Survey
- California Commercial Disclosure Report

### 3. Site Three, 1939 Market Street

#### **a) Background Information**

1939 Market Street (the “Market Street Site”) (Block 3501 Lot 006) is a 0.27-acre parcel located southeast of Market Street, west of Cameron Street, and north of Duboce Avenue on the northwestern edge of San Francisco’s Mission Neighborhood. The visual setting of the Project area is varied, reflecting the unique visual characteristics its topography, street grids, public open spaces, and surrounding neighborhoods adjacent to its boundaries. These include the Civic Center and Mid-Market to the east, the Inner Mission District and SOMA to the south, the Western Addition to the north and west, and Duboce Triangle to the west. The lot is irregularly shaped and currently improved with a parking lot and a multi-story office building. The building is currently occupied. The City acquired the site in 2020. A Restrictive Covenant has been recorded on the property requiring all future improvements to be made by signatories to collective bargaining agreements only.

In the 1960s and 70s, the Castro became one of the most prominent LGBTQ communities in the world, and it remains so today. An additional goal of development for this site is to be affirming to LGBTQ residents through all aspects of the housing development process and building operations and seek applicants that wish to be affirming of LGBTQ identities.

District 8, in which the Site is located, is less racially and ethnically diverse than the city overall. Almost two-thirds (63.8%) of all District 8 residents identify as white, compared to only 40.6% of all San Franciscans. District 8 has approximately half the citywide average of Black and Asian residents, and slightly less than the citywide average of Latinx residents. However, the district has more people that identify as another race (i.e., Native American, Pacific Islander, Other), or two or more races, than the citywide average.

Located in Census Tract 6075-020200, the population of the project area is 6,075. Of these, 5.7 percent are below the age of 10, the age of 83.7 percent of the residents is between 11 and 64, and 10.6 percent of the population is over the age of 65. According to the 2010 census, the racial/ethnic makeup of the project area census tract is 49.5 percent White, 25.2 percent Hispanic, 6 percent African American, 15.9 percent Asian, less than 1 percent native American and 2.9 percent identified as other.

According to the California Environmental Protection Agency’s Office of Environmental Health Hazard Assessment CalEnviroScreen, the project area is not a Disadvantaged Community disproportionately burdened by multiple sources of pollution. It has a CalEnviroScreen of 23.34; this score reflects that 44.46 percent of the area’s population lives below two times the federal poverty level, 35.49 percent has less than a high school education, 53.66 percent are linguistically isolated, and 16.6 percent are both low income and



severely housing burdened, meaning that they pay more than 50% of their income for housing. The area is subject to advanced gentrification and is one of San Francisco's Census Tracts with the highest risk of displacement.

***b) Zoning/Land use Entitlements***

The site is located in the NCT-3 Moderate Scale Neighborhood Commercial Transit District and the Market and Octavia Planning Area. The NCT-3 Districts are mixed use districts that support neighborhood-serving Commercial Uses on lower floors and housing above. There is no residential density limit in the NCT-3 Zoning District. Density is regulated by the permitted height and bulk, required setbacks, exposure and open space of each development lot. The site is located in the 85-X height and bulk district.

A project on the site is eligible for approval using the State Density Bonus Program, which provides up to 35% additional density, up to three incentives/concessions and unlimited waivers. The project may also be eligible for approval under the Affordable Housing Density Bonus Program (AHBP), as long as the project is compliant with all objective standards of the Planning Code plus the allowable Zoning Modifications provided by the AHBP in Planning Code Section 206.4(c)(5). The AHBP also provides three additional stories of height and form-based density. This means that this site could be a high rise with density bonuses. Either program may be used in conjunction with SB 35 for ministerial approval.

***c) Soil and Environmental Conditions***

Rincon Consulting Inc., conducted a Phase One Environmental Site Assessment in January 2020. Four Recognized Environmental Conditions and one potential environmental concern were identified in connection with the subject property. The Recognized Environmental Conditions are:

- Serpentine rock containing naturally occurring asbestos ("NOA") underlying the subject property
- Former use of the subject property as a gasoline station, motorcycle repair, used automobile sales, and postage meter manufacturing
- Location of the subject property within a Maher Ordinance Area
- Presence of PCE and benzene exceeding residential ESLs underlying the subject property.
- Potential Environmental Concern - Long term use of a hydraulic elevator onsite. Recommendations are discussed in the ESA

In light of these findings, SCS Engineers (SCS) conducted a limited Phase II study to evaluate the presence of PCE and benzene in the soil vapor underlying the subject property in December 2019. Benzene was detected in three of five soil vapor samples at concentrations above both residential and commercial/industrial land use ESL values. Other fuel-related VOC constituents (toluene, ethylbenzene, and xylenes) were also detected in all or most samples. Each of these constituents, when detected, were below their

respective ESLs. Tetrachloroethylene (PCE) was detected in one sample (SV1) at a concentration of 51 µg/m³. The current residential and commercial ESLs for PCE are 15 and 67 µg/m³, respectively. No other VOCs were detected above their respective ESLs or at levels considered significant.

***d) Available Due Diligence Documents***

- Phase I Environmental Site Assessment, 1939 Market Street, San Francisco, California, Rincon Consultants, Inc., January 10, 2020
- SCS Phase II Summary Letter to McMorgan & Company LLC summarizing the results of a Limited Phase II performed at 1939 Market Street in San Francisco, California.
- Due Diligence Report, 1939 Market Street, March 2014, DES Architects and Engineers

**C. FAMILY HOUSING**

Expectations for Family Housing – In addition to any site-specific expectations identified and which are not inconsistent with overall expectations:

- Serve low-income families (in 1-3-bedroom units) unsubsidized with an income range between 30%-80% MOHCD Unadjusted San Francisco Area Median Income;
- Serve formerly homeless families, in units subsidized by the City's Local Operating Subsidy Program ("LOSP") and a City services contract. The projects should provide 25% of the total number of units as LOSP-subsidized units for formerly homeless families and have a 1:20 case management ratio;
- Set aside at least 5 units (10 units at Pier 70) for referrals from the City's Plus Housing list with rents set at no more than 50% AMI;
- Evaluate the potential for childcare and provide family-friendly amenities appropriate for children.
- Achieve a feasible project within the funding constraints, namely, \$250,000 of MOHCD subsidy per unit.
- Maximize the number of target population placements into the Project (COP holders, etc.).

LOSP will be available to units serving formerly homeless families. The LOSP will be administered through a 15-year contract with MOHCD, to cover the difference between tenant-paid rents for LOSP units and operating expenses attributable to LOSP units. LOSP operating subsidy calculations should account for all typical costs of operations, reserves and fees on a pro-rata basis. LOSP subsidies may not be used to pay hard debt service, other than qualified minimal debt service payments for state financing. Applicants offering LOSP units will need to apply for funding for provision of services to these formerly homeless households through the Department of Homelessness and Supportive Housing. Section 8 project based rental assistance is not anticipated to be available at this time.

## **1. Site Four, 1515 South Van Ness Avenue**

### ***a) Background Information***

1515 South Van Ness (the “South Van Ness Site”) is located on the southern border of San Francisco’s Mission District within the Calle 24 Latino Cultural District. The project site is located within Census Tract 6075-022901. This tract has a population of 4,460 persons. According to the 2010 Census, 60% of the tract’s population is of Hispanic origin, 24.5% is White, 8% is of Asian origin and 4.5% is African American. Close to 11% of the population is below the age of 10, 6.7% is over the age of 65 and the remainder is between the ages of 11 and 65. According to California Environmental Protection Agency the tract is not a Disadvantaged Community disproportionately subject to multiple sources of pollution. While not a Disadvantaged Community, the tract’s residents rank high in other socio-economic characteristics. Close to 58 percent of the population suffers from asthma. Forty percent of the population lives below two times the federal poverty level. 18.5% of residents are linguistically isolated and 30 percent have less than a high school education. The housing burden (percent of households paying more than 50% of income as rent) for the area is high at 17 percent.

The site is within the Calle 24 SUD Special Use District which is intended to preserve the prevailing neighborhood character of the Calle 24 Latino Cultural District while accommodating new uses and recognizing the contributions of the Latino community to the neighborhood and San Francisco.

The high housing burden reflects the advanced gentrification that has occurred in the neighborhood which has put the residents at high risk of displacement. The displacement of neighborhood residents began in earnest in the late 1990’s as a result of the dot-com boom in San Francisco. Following the Great Recession of 2008, gentrification fueled more displacement, primarily affecting the area’s LatinX population.

Migration from Mexico, Central, and South America to San Francisco accelerated during the post-WWII period, with the Mission District being the primary destination for the new arrivals. Later waves of Latino migrants came to the Mission District from the Southwestern United States, Central California, and Central American countries experiencing political strife in the 1970s and 1980s. Today, the neighborhood’s Latino population is concentrated in the southern part of the Mission District and represents a culturally diverse population with roots from all over the Americas.

The South Van Ness Site (Block 6571 Lot 008) is a 35,714 square foot irregularly shaped lot located at the intersection of South Van Ness Avenue and 26th Street in San Francisco, California. The 0.80-acre site currently consists of three separate lots (Block 6571 Lots 1, 1A and 8). The site is bounded by South Van Ness Avenue to the west, 26th Street to the north,

Shotwell Street to the east, an existing one-two story commercial building to the southeast (auto repair shops), and an existing one story commercial retail building (auto parts store) to the southwest.

At present, the site is occupied by a two-level commercial building (McMillan Electric) with surface parking and a small strip of landscaping. The parking lots are generally flat accomplished by retaining/building walls along South Van Ness Avenue, 26th Street and the neighboring properties to the south. The site generally slopes to the southeast with street slopes falling southerly along South Van Ness Avenue (approx. 8.0' drop in elevation), easterly along 26th Street (approx. 1.3' drop in elevation), and southerly along Shotwell Street (approx. 9.4' drop in elevation). The ground surface is covered by:

- A 1-story over basement commercial building which houses offices and warehouse (approximately 31,680 +/- sf.
- Narrow landscaping strip along Shotwell Street (475 +/- sf)
- Asphalt paved surface parking lots, drive aisles, and hardscaped surfaces (3,559 +/- sf).

***b) Zoning/Land use Entitlements***

The existing South Van Ness Site is currently zoned Mission Street Neighborhood Commercial Transit District (NCT). Controls are designed to permit moderate-scale buildings and uses, protecting rear yards above the ground story and at residential levels. New neighborhood-serving commercial development is encouraged mainly at the ground story. Ground story uses are required to include active commercial uses with storefronts facing the street. While offices and general retail sales uses may locate at the second story of new buildings under certain circumstances, most commercial uses are prohibited above the second story. Continuous retail frontage is promoted by requiring ground floor commercial uses in new developments and prohibiting curb cuts. Housing development in new buildings is encouraged above the ground story. Residential density in the Mission Street NCT is restricted by physical envelope controls of height, bulk, setbacks, open space, exposure and other applicable controls to the development lot. The Site is split between the 65-X height and bulk district and the 55-X height and bulk district.

A project on the South Van Ness Site is eligible for approval using the State Density Bonus Program, which provides up to 35% additional density, up to three incentives/concessions and unlimited waivers. The project may also be eligible for approval under the Affordable Housing Density Bonus Program (AHBP), as long as the project is compliant with all objective standards of the Planning Code plus the allowable Zoning Modifications provided by the AHBP in Planning Code Section 206.4(c)(5). The AHBP also provides three additional stories of height and form-based density. Either program may be used in conjunction with SB 35 for ministerial approval.

### ***c) Soil and Environmental Conditions***

A Phase I Environmental Site Assessment for the South Van Ness Site. was prepared by Langan Treadwell Rollo on 27 May 2014. Review of regulatory files revealed one controlled recognized environmental condition (CREC) in connection with the property. There was an underground storage tank (UST) on site that was closed on 24 August 2000. Analytical results collected from soil samples collected during the former UST removal and subsurface investigations revealed the presence of residual petroleum hydrocarbons beneath the east parking lot area. The San Francisco Department of Public Health issued administrative case closure with no additional investigation required in regards to the former UST on 24 August 2000. If any construction and/or excavation activities are to be performed within the sidewalk near the former UST locations, a soil management plan (SMP) and a health and safety (H&S) plan (prepared by others) may be required prior to construction because of the petroleum hydrocarbons detected at the site.

The site is located in a Maher Area per the “Expanded Maher Area, February 2014” map and maybe subject to the provisions of Health Code Article 22A which is administered by the SFDPH.

Asbestos Containing Materials (ACMs) were observed on accessible areas of the building interior, exterior, and roofing. Sampled materials were confirmed to be positive for asbestos content upon laboratory analysis. Samples of painted surfaces and window putty were reported by the laboratory as containing lead above the detection limit of the analytical method.

### ***d) Available Due Diligence Documents***

- Feasibility Study
- Geotechnical Investigation
- Lead and Asbestos Survey
- DPH Phase One Approval
- Phase I Environmental Site Assessment for 1515 South Van Ness Ave., prepared by Langan Treadwell Rollo on 27 May 2014
- Tank Closure Report May 2000

## **2. Site Five, 88 Bluxome Street**

### ***a) Background Information***

The description of demographic characteristics of this site also applies to the 160 Freelon and the 71 Boardman sites as they are within the same Census Tract, 6075-018000. The Bluxome Street Site is located in the area of SOMA generally referred to as “south of Harrison Street of Western SOMA.” This area roughly bounded by Townsend Street to the south, Fourth Street to the east, Harrison Street to the north and Seventh Street to the west.

Unlike the 967 Mission Street site, which is also in SOMA, the Bluxome Street Site is not designated as a Disadvantaged Community by CalEnviroScreen. Despite the lack of such a designation, the Census Tract exhibits several environmental concerns. It ranks in the 96<sup>th</sup> and 95<sup>th</sup> percentiles for proximity to Cleanup sites and hazardous waste sites, respectively. The area is in the 80<sup>th</sup> percentile for traffic density and the 68<sup>th</sup> percentile for incidence of asthma. Its proximity to a number of Leaking Underground Storage tanks places it in the 97<sup>th</sup> percentile for impacts to groundwater. Ten percent of area residents have less than a high school education and 30 percent live below two times the federal poverty level. Eleven percent of the residents are low income persons with severe housing cost burden.

The development history of the site area is much like that of the 967 Mission Street site, except that this area of SOMA had a greater density of heavy industrial uses.

Site Five consists of one lot on the block bounded by Brannan Street to the north, 4th Street to the east, Bluxome Street to the south, and 5th Street to the west. The Bluxome Street Site is rectangular in shape, with plan dimensions of approximately 470 by 235 feet. The site is currently occupied by the San Francisco Tennis Club, a three-story structure with no basement, commonly referred to as the “88 Bluxome/Tennis Club”.

The affordable housing Project will be developed above the podium of the building to be located at the eastern end of the lot. This portion of the lot is approximately 80 feet wide by 240 feet deep. There will be a 30,120 s/f of community/recreation center at the ground floor and a 135,300 s/f relocated Tennis Club facility below-grade. Access to the affordable housing will be from Bluxome Street, through a 4,270 square foot lobby and back of house space dedicated to the Project. The Bluxome Street Site will contain 107 dwelling units, with 20 studios (19%), 42 one-bedroom units (39%), 21 two-bedroom units (20%), and 24 three-bedroom units (24%). There will be no off-street parking proposed. An air rights parcel for the development is to be created prior to close of construction financing.

#### ***b) Zoning/Land use Entitlements***

The Bluxome Street Site is zoned CMUO (“Central SoMa Mixed-Use Office”) District. This zoning district extends predominantly between 2nd Street and 6th Streets in the South of Market Area. The CMUO is designed to encourage a mix of residential and nonresidential uses, including office, retail, light industrial, arts activities, nighttime entertainment, and tourist hotels. The property is within both the Western SOMA and Central SOMA Planning Areas.

The Bluxome Street Site is also located in the proposed Central SOMA Special Use District (“CS SUD”). This overlay district contains controls that

are applied to the Site in addition to those in the CMUO District and address issues such as PDR retention and replacement, urban design and density controls, renewable energy requirements, and controls for specific uses and building features. Residential density in the CMUO District is restricted by physical envelope controls of height, bulk, setbacks, open space, exposure and other applicable controls to the development lot. The site is split between the 200-CS height and bulk district and the 130-CS height and bulk district.

Pursuant to Planning Code Section 329 (d), projects may seek specific exceptions to the provisions of the Code. Included among the exceptions are:

- Exceeding the principally permitted accessory residential parking ratio
- Exception from residential usable open space requirements
- Modification of the horizontal massing breaks required by Section 270
- Exception from satisfaction of loading requirements per Section 152.1
- Exception to height limits for vertical non-habitable architectural
- Exception to volumetric limitations for roof enclosures and screens pursuant to Section 260(b)(1)(F)
- Provision of the required minimum dwelling unit mix, as set forth in Section 207.6, pursuant to the criteria of Section 305(c)
- Exception for rear yards, pursuant to the requirements of Section 134(f);
- Flexible Units: Modification of the accessory use provisions of Section 803.3(b)(1)(c)

A project on the subject property is eligible for approval using the State Density Bonus Program, which provides up to 35% additional density, up to three incentives/concessions and unlimited waivers. The project may also be eligible for approval under the Affordable Housing Density Bonus Program (AHBP), as long as the project is compliant with all objective standards of the Planning Code plus the allowable Zoning Modifications provided by the AHBP in Planning Code Section 206.4(c)(5). The AHBP also provides three additional stories of height and form-based density. Either program may be used in conjunction with SB 35 for ministerial approval.

### ***c) Soil and Environmental Conditions***

The approximately 2.6-acre site is currently developed with an approximately 288,500-square foot building operated by the San Francisco Tennis Club. The Bluxome Street Site was developed by 1887 (and potentially earlier) with dwellings, a lumber yard, an engine works, a furniture factory, and an oil storage area. Other notable historical operations included a boiler/engine works, various furniture factories, a licorice factory, mill and planning work, and truck parking yard with a motor shop. The Bluxome Street Site was redeveloped for the current tennis club in 1974.

**d) Available Due Diligence Documents**

- 88 Bluxome Street Project: Land Dedication Project Planning Code Analysis
- Geotechnical Considerations
- Infrastructure Study – Land Density Study

**e) Additional City Expectations for Developer of this site**

- At least 10 Plus Housing units with rents set no higher than 50% AMI.
- Collaborate effectively with the Master Developer, the Department of Recreation and Parks, the Tennis Club, and MOHCD to ensure the Project is well integrated into the master development.

**3. Site Six, Pier 70 First Parcel**

**a) Background Information**

Site Six, Pier 70 First Parcel/C2A (the “Pier 70 Site”) is located in Census Tract 6075-022600. Pier 70 is a 69-acre facility under the jurisdiction of the Port of San Francisco. Located on the City’s Central Waterfront, the Site has been identified as a future National Historic District due to its long history of continuous operations in shipbuilding and repair, and the role it has played in the industrialization of the Western United States, the war efforts and architectural and engineering feats.

The area attracted early industrial operations because of its cheap land, deep-water access, and isolation from the more populated sections of the fast-growing city. This small cape of land, much enlarged and flattened over the decades, was the home of at least a half dozen major manufacturing and utility companies that played significant roles in the western and national economies, and in military and labor history. The Pier was the site of significant involvement in pivotal 20<sup>th</sup> century events including WWI Ship Building/ Repair, WWII Ship Building/ Repair, Vietnam War Ship Repair, and fabrication of the BART Transbay Tube.

The Pier 70 Site is located in the Dogpatch neighborhood of San Francisco, long a bastion of the blue-collar working class employed in the area’s industries. The neighborhood has undergone substantial gentrification since the 1990s.

The area in which the Pier 70 Site is located is less racially and ethnically diverse than the city overall. The Census Tract has a population that is 75.2 percent White, 9.8 percent Hispanic, 8.9 percent Asian, 2.1 percent Black and 0.2 percent Native American. 84.7 percent of the tract’s population is between the ages of 10 and 65, 9.2 percent is over 65 and 6.1 percent is below the age of ten.



Despite its long history as an industrial area, the Census Tract is not designated as a Disadvantaged Community by the California Environmental Protection Agency. However, it is in the 95<sup>th</sup> percentile for exposure to diesel particulate matter and 30<sup>th</sup> percentile for proximity to hazardous material sites. Fourteen percent of the tract's residents are lower income with a severe housing cost burden. Five percent of the residents have less than a high school education and five percent are linguistically challenged.

Notwithstanding the census tract's characterization by the California EPA, the development of the Pier itself is subject to implementation of a Risk Management Plan. Remedies for recognized environmental conditions include engineering controls (e.g., removing, replacing, or capping soil with durable cover) and institutional controls (e.g., deed restrictions, soil management measures, health and safety plans) to manage potential health risks.

The remedies include:

- Durable Covers over existing native soil that meet the remedial action objective of preventing human exposure to constituents of concern (COCs) in the soil beneath the Site.
- Long-term maintenance and monitoring of durable covers to ensure that covers continue to function as designed are described further in Appendix A.
- Institutional controls to minimize the potential to impact human health and the environment after installation of durable cover.

The Pier 70 Site will be located on a new segment of Louisiana Street between a new segment of 21<sup>st</sup> Street and a rebuilt 22<sup>nd</sup> Street within the Pier 70 Special Use District ("Pier 70 SUD"). The Site is a rectangular-shaped lot of 16,590 square feet. A map showing the location and configuration of the Site is attached as **Exhibit X**.

The Pier 70 Site will continue to be owned by the Port Authority of San Francisco and will be leased to the affordable housing developer through a 75-year (plus 24-year extension) ground lease with MOHCD, as described in a MOU between MOHCD and Port. Maximum rents will be restricted to an average income of 60% Unadjusted San Francisco Area Median Income, as defined by MOHCD.

Under the Disposition and Development Agreement (DDA), the Master Developer is required to complete all horizontal improvements serving the Site with the exception of water laterals (potable, non-potable and fire); delivery of the Site is expected by the end of 2020. The Master Developer anticipates completion of 22<sup>nd</sup> Street and Louisiana Street in 2020 while 21<sup>st</sup> Street extension between Illinois Street and Louisiana Street is scheduled for

Phase 2 of the project and the schedule for Irish Hill Park is yet to be determined.

***b) Zoning and Land Use Entitlements***

Pier 70 Special Use District: Development and use of the Site is regulated by the Pier 70 SUD (Planning Code Section 249.79), the Pier 70 D4D, and the Affordable Housing Plan attached as Exhibit B3 to the Pier 70 DDA. Under the Pier 70 SUD, the Site is predominantly zoned for residential use and has a height limit of 90 feet. Ground floor accessory uses are also permitted (but not required), as shown in Table 249.79(g)(l) of the Pier 70 SUD. Per the Affordable Housing Plan, the maximum amount of parking permitted on the Site is .25 spaces per residential unit.

The Project will be subject to the administrative design review process set forth in Section 249.79(l) of the Pier 70 SUD, which focuses on consistency and compliance of proposed projects with the Pier 70 SUD and D4D. Additionally, the selected Developer will be required to make an informational presentation regarding the consistency of its application with the Pier 70 SUD and D4D to the Port's Central Waterfront Advisory Group.

***c) Soil and Environmental Conditions***

A preliminary geotechnical investigation of the 28-Acre Site, including the Pier 70 Site, was completed in 2012 by Treadwell & Rollo. The selected Developer will still be required to commission its own geotechnical studies as part of its design and engineering work, but, for purposes of this RFQ, it is assumed that any required mitigation, soil and subsoil conditions on the Site will support a development that complies with the maximum allowable height, bulk and density limitations of the Site's applicable zoning requirements.

A Phase I Environmental Site Assessment for the 28-Acre Site, including the Site, was completed by Geosyntec in 2011. In addition, the Site is covered by a Risk Management Plan ("RMP"), prepared by Treadwell and Rollo in 2013 and approved by the Regional Water Quality Control Board in 2014. The RMP specifies measures to be taken prior to, during and post development in order to mitigate risks to human health and the environment posed by hazardous materials along with naturally occurring asbestos in the fill materials and bedrock at the site.

***d) Available Due Diligence Documents***

- Pier 70 Risk Management Plan, Pier 70 Master Plan Area, San Francisco, California, Prepared For Port of San Francisco, San Francisco, California, 25 July 2013, Project No. 730496301, Treadwell Rollo

**e) *Design and Development Agreement Exhibit B3 Affordable Housing Plan of Disposition and Development Agreement (Pier 70 28-Acre Site) Additional City Expectations for Developer of this site***

- Provide an affordable housing structure containing a minimum of 100 units;
- Serve low-income families (in 1-3 bedroom units, minimum of 50% 2BR or larger) unsubsidized with an income range between 30%-80% MOHCD Unadjusted San Francisco Area Median Income;
- Income average the available and total tax-credit units rent restrictions to no more than 60% MOHCD Unadjusted San Francisco Area Median Income;
- Serve a minimum of 10 households to be referred from MOHCD Plus Housing waitlist in a minimum of 10 units;
- Provide resident services coordinator at ratio of 1:100 units for families and 1:50 units for Plus Housing households paid from operations;
- Collaborate effectively with the Master Developer, the Port of San Francisco ("Port"), and MOHCD to ensure Pier 70 affordable housing is well integrated into the Pier 70 SUD;

**f) *Other Pier 70 Requirements Applicable to The Project***

- *Transportation Management Association:* In order to comply with Mitigation Measure M-AQ-1f of the MMRP, the Project is obligated to participate in a Transportation Management Association ("TMA") to implement and administer a Transportation Demand Management Program ("TDM Program") for the Pier 70 SUD. The goal of the TDM Program is to produce 20% fewer vehicle trips than identified in the Pier 70 FEIR through measures such as resident transit passes, unbundled parking, and a TMA-operated shuttle to regional transit connections. The Project will be responsible for all TMA assessments that may be owing with respect to the Site following the close of escrow. The current estimate for the TMA assessment is \$0.55/Residential GSF (\$2018) and \$0.21/Retail GSF.
- *Workforce Development Plan:* The Project is subject to the Workforce Development Plan, attached to the Pier 70 DDA as Exhibit B4, which includes goals and targets for local hiring and local business enterprise utilization, compliance with the City's First Source Hiring program, and the provision of funding for CityBuild and TechSF job readiness and training programs.
- *Vertical Cooperation Agreement:* Prior to close of escrow, the Selected Developer will be required to enter into a Vertical Cooperation Agreement ("VCA") with the Master Developer. The VCA may include provisions related to (i) sequencing and coordination of infrastructure work as between Horizontal Developer and Vertical Developer, (ii) each party's obligations related to liability for damage

- and restoration thereof, and (iii) repaving obligations to the extent of any underground work performed after Horizontal Developer's paving.
- *Building Code and Building Permit Review:* Because the Site is within the Port's jurisdiction, the Project is subject to Port Building Code and the Port will issue all building permits. However, the Port currently anticipates that the City's Department of Building Inspection will review all permit submittals and perform inspections on the Port's behalf.
- *Master CC&R:* All Vertical developments will be subject to Master CC&R as the instrument to collect the TMA assessments described above. No additional Homeowner's Association (HOA) fees will be required.

#### **4. Site Seven, 160 Freelon (598 Brannan)**

##### ***a) Background Information***

See demographic discussion at the 88 Bluxome Street site discussion.

160 Freelon will be the residential component of the 598 Brannan Project, a mixed-use development containing office, PDR/retail, institutional, a public park, and residential uses on an approximately 4.5-acre site in the Central SOMA area, comprised of current lots 45, 50, 51, and 52 in Assessor's Block 3777. The site is bounded by Welsh and Bryant Streets to the north, a mixture of surface parking lots and light industrial-style buildings to the east, Freelon and Brannan Streets to the south, and 5th Street and light industrial-style buildings to the west. The residential component will be located at the center of the project site between Welsh and Freelon streets.

The City conditionally accepted the dedication of the Site for affordable housing development from Brannan & Bryant, LLC, in lieu of jobs-housing linkage fee generated by the Sponsor's principal development project at 598 Brannan Street. Acquisition of the Site by the City is expected to take place concurrent with construction loan closing. The Site is located in an area with elevated pollutant concentrations. Sensitive use buildings, as defined in the Applicability section of the Ordinance, must comply with Health Code Article 38.

##### ***b) Zoning and Land Use Entitlement***

As part of the recently-adopted Central SOMA Plan, the entire 598 Brannan Project site was rezoned into the Central SOMA Mixed Use Office zoning district and the Central SOMA Special Use District. Residential uses are permitted. Residential density in the CMUO District is restricted by physical envelope controls of height, bulk, setbacks, open space, exposure and other applicable controls to the development lot. The Site is split between the 130-CS, 160-CS and 50-X height and bulk districts.

A project on the subject property is eligible for approval using the State Density Bonus Program, which provides up to 35% additional density, up to three incentives/concessions and unlimited waivers. The project may also be eligible for approval under the Affordable Housing Density Bonus Program (AHBP), as long as the project is compliant with all objective standards of the Planning Code plus the allowable Zoning Modifications provided by the AHBP in Planning Code Section 206.4(c)(5). The AHBP also provides three additional stories of height and form-based density. Either program may be used in conjunction with SB 35 for ministerial approval.

***c) Soil and Environmental Conditions***

Projects that are located on sites with known or suspected soil and/or groundwater contamination are subject to the provisions of Health Code Article 22A, which is administered by the Department of Public Health (DPH). Submittal of the Maher Application to and coordination with DPH may be required. Applicants may contact DPH for assistance.

***d) Due Diligence Documents Available***

- A Preliminary Geotechnical Information Memorandum was prepared by Rollo and Ridley in September 2016.
  - A Phase I Environmental Site Assessment was prepared by Environ for 639 Bryant Street. Recognized Environmental Conditions were identified.
- The site is within a Maher Zone and an application to DPH will be required.

**D. SUPPORTIVE HOUSING FOR HOMELESS ADULTS**

Respondents seeking to develop supportive housing for homeless adults must be comprised of the following: a non-profit developer (or developers) with experience developing permanent supportive housing in San Francisco or a for-profit developer working in partnership with a nonprofit developer, of which one of the joint venture partners must have experience developing permanent supportive housing in San Francisco (the “Developer”); a property manager with experience serving the target population; and a qualified supportive service provider with experience serving the target population. The development team must have demonstrated experience conducting effective community outreach and engagement. These Minimum Qualifications differ from those identified in Section IV.B.1 for those Respondents applying for development of senior and family housing.

The City’s LOSP will be available to units serving formerly homeless adults. The LOSP will be administered through a 15-year contract with MOHCD, to cover the difference between tenant-paid rents for LOSP units and operating expenses attributable to LOSP units. LOSP operating subsidy calculations should account for all typical costs of operations, reserves and fees on a pro-rata basis. LOSP subsidies may not be used to pay hard debt service, other than qualified minimal debt service payments for state

financing. Applicants offering LOSP units will need to apply for funding for provision of services to these formerly homeless households through the Department of Homelessness and Supportive Housing. Section 8 project based rental assistance is not anticipated to be available at this time.

### **Development Program Objectives**

- MOHCD and partner agency, Department of Homelessness and Supportive Housing (HSH), intend to target this housing to chronically homeless persons who are prioritized utilizing the newly developed Coordinated Entry System (CES).
- Up to one half of the units would include proposed financing from the State of California No Place Like Home (NPLH) program which targets adults with serious mental illness who are chronically homeless.
- Achieve a feasible project within the funding constraints, namely, \$250,000 of MOHCD subsidy per unit.

Expectations for Homeless Housing - In addition to any site-specific expectations identified and which are not inconsistent with overall expectations, MOHCD expects the Respondent team to include:

- At least one community-based non-profit development entity as sole developer or joint-venture partner, defined as a nonprofit organization whose mission includes the development of affordable housing in low income communities, with experience developing housing for formerly homeless adults in San Francisco;
- A property management entity with experience managing housing for formerly homeless adults, preferably in San Francisco;
- A community-based, service-providing entity with experience providing culturally competent services appropriate for formerly homeless adults in a supportive housing context and experience billing to Medi-Cal.

### **1. Site Eight, 71 Boardman (aka 356 Harriet Street)**

#### ***a) Background Information***

See demographic discussion at the 88 Bluxome Street site description. 71 Boardman Place (the "Boardman Place Site") (Block 3779 Lot 084) is a 0.2246 acre flat vacant lot generally running north to south extending to Harriet Street and between Bryant and Brannan Streets. The lot is rectangularly shaped and currently improved with a parking lot. The Boardman Place Site is located in an area with elevated pollutant concentrations. Sensitive use buildings must comply with Health Code Article 38.

**b) Zoning and Land Use Entitlement**

The Service/Arts/Light Industrial (SALI) District is largely comprised of low-scale buildings with production, distribution, and repair uses. The district is designed to protect and facilitate the expansion of existing general commercial, manufacturing, home and business service, and light manufacturing activities, with an emphasis on preserving and expanding arts activities. Nighttime Entertainment is permitted although limited by buffers around RED and RED-MX districts. Residential Uses, Offices, Hotels, and Adult Entertainment uses are not permitted, except that certain Affordable Housing Projects are permitted within the district pursuant to Section [846.24](#) of the Planning Code, and Accessory Dwelling Units are permitted within the district pursuant to subsection [207\(c\)\(4\)](#) of the Planning Code.

Affordable Housing Projects shall be subject to the Use Standards applicable to Residential Uses in the RED-MX District. Residential density in the RED-MX District is restricted by physical envelope controls of height, bulk, setbacks, open space, exposure and other applicable controls to the development lot. The Site is located in the 40/55-X height and bulk district.

A project on the Boardman Place Site is eligible for approval using the State Density Bonus Program, which provides up to 35% additional density, up to three incentives/concessions and unlimited waivers. The project may also be eligible for approval under the Affordable Housing Density Bonus Program (AHBP), as long as the project is compliant with all objective standards of the Planning Code plus the allowable Zoning Modifications provided by the AHBP in Planning Code Section 206.4(c)(5). The AHBP also provides three additional stories of height and form-based density. Either program may be used in conjunction with SB 35 for ministerial approval. Eligible Supportive Housing projects may also be eligible for ministerial approval pursuant to AB 2162.

**c) Soil and Environmental Conditions**

Projects that are located on sites with known or suspected soil and/or groundwater contamination are subject to the provisions of Health Code Article 22A, which is administered by the San Francisco Department of Public Health (DPH). Submittal of a Maher Application to and coordination with DPH may be required. Applicants may contact DPH for assistance.

**d) Available Due Diligence Documents**

To be determined.

**2. Site Nine, 725 Harrison Street**

**a) Background Information**

See demographic discussion at the 88 Bluxome Street site description.

Site Nine, 725 Harrison Street (the “Harrison Street Site”) is a portion of the property bounded by Harrison and Perry Streets to the north and south, and adjacent properties and 4th Street and to the east and west. The Site is L shaped and approximately 16,000 s/f in area. Current uses include a parking lot and small outbuildings. The site is adjacent to a freeway. MOHCD conditionally accepted the dedication of a portion of 725 Harrison for affordable housing development from Boston Properties, Inc. (“Sponsor”), as satisfaction of inclusionary housing obligations generated by the Sponsor’s 4<sup>th</sup> and Harrison Street principal development project, which will be located adjacent to the Site. Acquisition of the Site by the City is expected to take place in 2021.

***b) Zoning and Land Use Entitlements***

The Harrison Street Site is zoned CMUO (“Central SOMA Mixed-Use Office”) District. This zoning district extends predominantly between 2nd Street and 6th Streets in the South of Market Area. The CMUO is designed to encourage a mix of residential and nonresidential uses, including office, retail, light industrial, arts activities, nighttime entertainment, and tourist hotels. Production, Distribution and Repair Uses (PDR) are acceptable uses for the ground floor. Residential density in the CMUO District is restricted by physical envelope controls of height, bulk, setbacks, open space, exposure and other applicable controls to the development lot. The site is split between the 160-CS and 85-X height and bulk districts.

The Harrison Street Site is also a “Key Site,” as defined in Section 329(e) of the Planning Code, and therefore is eligible for exceptions to Code requirements that aren’t otherwise available to non-Key Sites. The property is within both the East SOMA and Central SOMA Planning Areas.

A project on the subject property is eligible for approval using the State Density Bonus Program, which provides up to 35% additional density, up to three incentives/concessions and unlimited waivers. The project may also be eligible for approval under the Affordable Housing Density Bonus Program (AHBP), as long as the project is compliant with all objective standards of the Planning Code plus the allowable Zoning Modifications provided by the AHBP in Planning Code Section 206.4(c)(5). The AHBP also provides three additional stories of height and form-based density. Either program may be used in conjunction with SB 35 for ministerial approval. Eligible Supportive Housing projects may also be eligible for ministerial approval pursuant to AB 2162.

***c) Soil and Environmental Conditions***

Langan, Treadwell Rollo conducted a Phase I Environmental Site Assessment of the Site in February 2014. The assessment revealed evidence



of three Recognized Environmental Conditions (RECs) in connection with the subject property:

- The fill material below the Site contains total and soluble lead levels that exceed State of California hazardous waste criteria as well as other residual petroleum hydrocarbons. The fill material below the Site contains State of California hazardous concentrations of soluble lead and residual petroleum hydrocarbons.
- Residual petroleum hydrocarbons exist in the subsurface at the Site due to the Site's past use as automotive repair facilities and the past use of USTs.
- The groundwater contains residual petroleum hydrocarbons which have likely migrated from an adjacent property.

Because hazardous materials were detected at the Site, a soil management plan (SMP) and a health and safety (H&S) plan (prepared by others) most likely would be required prior to construction. The Site is within a Maher Zone.

***d) Available Due Diligence Documents***

- Langan, Treadwell Rollo conducted a Phase I Environmental Site Assessment of the Site in February 2014
- Cost estimate for soil disposal
- Soil Classification.

## **V. SELECTION PROCESS, MINIMUM EXPERIENCE AND CAPACITY REQUIREMENTS, SELECTION CRITERIA AND SCORING, AND SUBMITTAL REQUIREMENTS OVERVIEW**

### **A. SELECTION PROCESS**

MOHCD staff will review all submittals for completeness and satisfaction of minimum experience and capacity requirements (see Section B below). If a submittal does not meet minimum experience and capacity requirements, the Respondent may submit an appeal to MOHCD staff on technical grounds only.

A Selection Panel will be appointed by the Director of MOHCD composed of persons with expertise in the areas of development, affordable housing finance, affordable housing construction management, community development, commercial space development, housing access/marketing, housing and services for homeless households, and public design/arts commission, as well as community representatives.

The Selection Panel will review all qualified responses (see Section C below) and may interview top-scoring Respondents, at which time Respondents will be asked to present and explain the major characteristics of their submittal, particularly as they relate to the Scoring Criteria, and respond to questions from the Selection Panel.

After any interviews have been completed, the Selection Panel will meet to determine the final ranking of all responses and present this ranking to the Director. The Selection Panel's scoring of each proposal will be done by consensus and will be final.

The Director will then select a development team and advise the Mayor of this selection. MOHCD staff will then exclusively negotiate a binding contract with the selected team for purposes of the Site's development. If MOHCD staff cannot complete a contract with the selected development team that is in the best interest of the City, the MOHCD Director may terminate negotiations in his sole discretion. If the MOHCD Director terminates negotiations with the selected development team, the MOHCD Director reserves the right, in his sole discretion, to (1) negotiate with the next highest ranked Respondent, or (2) reject any and all other proposals, in whole or in part, prior to award, and (3) may re-advertise a request for qualifications for any Project under such terms the MOHCD Director deems to be in the City's best interest. MOHCD reserves the right to appoint additional parties to the selected development team should it be determined that the team lacks representation necessary to the achievement of the goals of the RFQ.

### **B. MINIMUM EXPERIENCE AND CAPACITY REQUIREMENTS**

Respondents must meet the following minimum development team characteristics, experience, and capacity requirements in order to qualify to be scored and ranked under this RFQ. For Minimum Qualifications for respondents applying for 100% housing for homeless adults please refer to Sections III.D and IV.C.

**Racial Equity Capacity:** The proposed Development team must document its capacity to successfully plan, design, and develop racial equity strategies that will lower barriers to obtaining quality affordable housing for communities of color through employment of staff with appropriate experience and capacity, contracted services, and/or collaboration with other organizations. Respondents should submit demographic data of the Boards of Directors of member organizations of the Development Team and of the staff of the various organizations that make up the respondent team.

## **1. Minimum Development Team Characteristics**

The proposed development team must include members able to work with MOHCD to create developments that are responsive to populations disproportionately impacted by systemic racism; implement a culturally competent approach throughout the development process; align the development program with City policies on anti-displacement, racially inclusive communities, and creation of stable housing for vulnerable populations; and create opportunities for Black- and Brown-led developers to be competitive within the RFQ process.

The proposed Development Team must include:

- At least one San Francisco-based non-profit development entity whose mission includes the development of affordable housing in low-income communities with experience developing housing for the identified priority populations (such as Certificate of Preference Holders, displaced tenants, neighborhood residents, San Francisco residents, seniors, families, Plus Housing waitlist households and/or formerly homeless households) acting either as sole developer or as a partner in a joint venture, or joint-venture partner, defined as a nonprofit organization;
- A property owner entity with experience owning housing for low-income communities, including for priority populations (such as COP Holders, displaced tenants, neighborhood residents, San Francisco residents, seniors, families, Plus Housing waitlist households and/or formerly homeless households);
- A property management entity with experience managing housing for low-income communities, including for priority populations (such as COP Holders, displaced tenants, neighborhood residents, San Francisco residents, seniors, families, Plus Housing waitlist households and/or formerly homeless households);
- At least one services-providing entity with experience providing services appropriate for the intended target population(s) of each site.

*Letters of Intent or Memoranda of Understanding from service providers and property management entities that are not affiliated with the developer must be submitted with the application.*

## 2. Minimum Development Team Experience

Minimum experience must be demonstrated by identifying specific **Qualifying Projects** in which team members have participated, as further described below. The proposed Development Team must submit **Attachment 4 - Qualifying Project Form**, to document how the Qualifying Project characteristics meet each of the experience categories below (developer, owner, property manager, service provider.)

To demonstrate the minimum required development team experience, each team should submit one project for each experience category. When appropriate, teams may submit the same project as evidence of experience across multiple experience categories or may use different projects to demonstrate experience across categories. In all cases, no more than four (4) total Qualifying Projects should be submitted.

**Qualifying Projects will not be scored but are used to determine if the proposed Development Team meets the minimum development team experience required to develop the Site.**

For Developer and Owner, a **Qualifying Project** must have all of the following characteristics:

- New construction in either a Type V over I or Type III over I construction type (not a requirement for Minimum Property Manager and Service Provision Experience)
- At least 75 units in size
- Majority multiple-bedrooms, *only for family projects*
- Mixed-use including residential (not a requirement for Minimum Service Provision Experience)
- Affordable to low- and very low-income households<sup>1</sup>, formerly homeless residents, families and/or seniors
- Financed with Low-Income Housing Tax Credits.

### **a. Minimum Development Experience:**

The proposed Developer must have completed within the past ten years at least **one** Qualifying Project located in San Francisco. “Completed” means the Project must have received its Temporary Certificate of Occupancy by the date of the issuance of the RFQ.

For joint venture Developer teams, the experience of the lead entity may suffice for the joint-venture partnership. A signed Memorandum of Understanding or Term Sheet between joint-venture Development partners that outlines roles and responsibilities, proposed ownership structure, etc. must be submitted with the application. Furthermore, a Respondent can qualify for development experience by contracting with a development consultant for comprehensive project management services. Finally, the requirement to have served formerly homeless residents may be satisfied in a non- Type V over I or Type III over I building. In such a case, the proposed Developer must provide evidence of

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<sup>1</sup> “Low Income” is defined as 60% MOHCD AMI and below. “Extremely Low Income” is defined as 30% MOHCD AMI and below.

having completed a partially Type V over I or Type III over I affordable housing building, and separately, an affordable housing building that serves formerly homeless residents.

- b. Minimum Ownership Experience:** The proposed Owner must have owned at least **one** Qualifying Project for at least four years prior to the Submittal Deadline of this RFQ. For purposes of this requirement, the member of the general partner of the tax credit partnership that will own the completed project is the proposed “Owner.”
- c. Minimum Property Management Experience:** The proposed Property Manager must have managed at least **one** Qualifying Project for at least 24 months.
- d. Minimum Service Provision Experience:** The proposed service provider(s) must have at least 36 months experience providing services to low-income family residents, communities of color, homeless persons and/or senior citizens within a Qualifying Project.

**Note Regarding Experience:** For any Respondent team member, the experience of key staff members may be substituted for the experience of the organization as a whole as long as the staff members’ experience in other firms was substantive and involved responsibilities similar to those that they are anticipated to perform during the proposed development of the site. Any substitution should be clearly identified in Attachment 4, Qualifying Project Form.

### 3. Minimum Developer and Owner Capacity Requirements

The proposed Developer and Owner must demonstrate the financial and staffing capacity to successfully complete the project and manage the asset in the long-term, as further described below.

- a. Financial Capacity:** The proposed Developer (or Guarantor where another entity is providing required guarantees) must demonstrate its ability to obtain competitive financing, as evidenced by submitting the latest (2) years of either signed federal income tax returns (including schedules or attachments, if any); or audited financial statements (with management letters, if any). The proposed Developer must also submit **Attachment 5 – Financing Terms for Developer’s Qualifying Project** documenting the equity pricing and debt terms for the Qualifying Project submitted under Minimum Developer Experience.
- b. Staffing Capacity:** The proposed Developer must document its capacity to successfully plan, design, and develop the Project, throughout the period of development, either through staff with appropriate experience and capacity, contracted services, or collaboration with other organizations. To document this, the proposed Developer must submit a written narrative **no more than one page** (in Times New Roman font, 12 font size, and 1-inch margins) to document

the experience and capacity of key staff, their workloads, and the organizational structure for supporting staff. The proposed Developer must also submit **Attachment 6 – Projected Staffing Workload Form** to document the work assignments (existing or contemplated) associated with each staff person expected to work on the Project for Developer.

- c. **Asset Management Capacity:** The proposed Owner must document its capacity to successfully manage real estate assets in compliance with City regulatory agreements and restrictions. To document this, the proposed Owner must submit a recent Real Estate Owned (REO) schedule, stating the number of projects and average number of units/project currently in Owner's asset management portfolio, proposed Owner's current asset management staffing noting job titles, FTEs, and status of each position (filled/vacant) and proposed Owner's organizational chart.
  - d. **Racial Equity Capacity:** The proposed Developer must document its capacity to successfully plan, design, and develop racial equity strategy that will lower barriers to obtaining quality affordable housing for communities of color through staff with appropriate experience and capacity, contracted services, or collaboration with other organizations. Documentation should include information evidencing the Developer's capacity to achieve the goals of this RFQ (see especially pages 4-5).
- Select partners that are able to work with MOHCD to deploy city resources, tools and expertise to create developments that are responsive to populations disproportionately impacted by systemic racism;
  - Ensure that development teams are working within a culturally competent approach through the development process;
  - Align each Project with the implementation of City policies on anti-displacement, racially inclusive communities, and creating stable housing for vulnerable populations;
  - Create opportunities for growth of smaller and Black, Indigenous and people of color, (BIPOC)-led organizations in development role or as member of development team
  - Submit demographic data for the Boards of Directors of each Development Team member and for the staff of each organization represented on the Team.

**C. MINIMUM EXPERIENCE AND CAPACITY REQUIREMENTS FOR RESPONDENTS APPLYING FOR 100% SUPPORTIVE HOUSING FOR HOMELESS ADULTS**

## 1. Team Member Specific Minimum Requirements

- a. **Minimum Developer Requirements** - Lead Developer itself or in partnership with other co-developers must provide evidence of the following experience:
- New construction of at least two affordable housing developments that are both high-density infill sites, with an aggregate unit count of approximately 75 units or more
  - Development of at least one supportive affordable housing development for formerly homeless adults and/or formerly homeless seniors (may be new construction or substantial rehabilitation of an existing building)
  - Use of Low-Income Housing Tax Credit financing

For joint-venture Development partners, the experience of either entity may suffice for the joint-venture partnership. A Memorandum of Understanding between joint-venture Development partners must be submitted with the application.

Furthermore, a Respondent can qualify for development experience by contracting with a development consultant for comprehensive project management services. Project management services should include financial packaging, selection of other consultants, selection of construction contractor and property management agent, oversight of architectural design, construction management, and consultation on major aspects of the development process. The contract for development services must be submitted with the RFQ response and must be acceptable to MOHCD.

- b. **Minimum Ownership Experience** - The proposed Owner of the Project must have owned at least one supportive formerly homeless project in San Francisco for at least 5 years prior to the Submittal Deadline of this RFQ. In addition, each proposed Owner must provide evidence of experience with owning housing financed with Low Income Housing Tax credits. This experience does not have to be on the same project that satisfies the 5-year ownership requirement. If the Selected Developer entity is not the same entity as the proposed Owner, MOHCD reserves the right to require that certain members of the Selected Developer remain active in the ownership for whatever length of time MOHCD deems necessary to ensure operating and financial stability.

For purposes of this requirement, the managing general partner of the tax credit partnership intended to take ownership of the completed Project and to provide asset management for the Project is the proposed "Owner".

- c. **Minimum Property Manager Requirements** - The proposed property manager for the Project must have managed at least three supportive formerly homeless

or supportive senior rental projects, including at least one in San Francisco, each for at least 36 months. In addition, the Property Manager for the Project must provide evidence of experience with managing housing financed with Low Income Housing Tax credits.

- d. **Minimum Service Provision Requirements** - The proposed service provider(s) must have at least 36 months' experience providing supportive services to formerly homeless adults and/or formerly homeless seniors including case management and comprehensive services for homeless households in a residential setting in San Francisco. The proposed service provider(s) must have the infrastructure to supervise and train the onsite staff and their supervisors. The service provider must also have experience with and capacity to bill Medi-Cal.
- e. **Other Consultants** – For any Respondent team, the experience of key staff members or “other consultants” may be substituted for the experience of the organization as a whole as long as the staff member’s or consultant’s experience in other firms was substantive and involved responsibilities similar to what they are anticipated to perform as a member of the Respondent’s team.

#### **D. SELECTION CRITERIA AND SCORING**

All applications that meet the Minimum Experience and Capacity Requirements will be scored and ranked according to the following selection criteria:

	<b>Category</b>	<b>Points</b>
<b>A.</b>	<b>EXPERIENCE:</b>	<b>40</b>
i.	<b>Developer (12 pts)</b> <ul style="list-style-type: none"> <li>➤ Experience with the following: <ul style="list-style-type: none"> <li>○ Completing projects on time and on budget</li> <li>○ Obtaining competitive financing terms</li> <li>○ Developing Type V/I or III/I construction</li> <li>○ Developing housing for low-income families, seniors, or the homeless</li> </ul> </li> <li>➤ Building community support through outreach</li> <li>➤ Current staff capacity and experience to take on this project type</li> </ul>	
ii.	<b>Owner (4 pts)</b> <ul style="list-style-type: none"> <li>➤ Track record successfully owning housing financed with Low-Income Housing Tax Credits</li> </ul>	



	<ul style="list-style-type: none"> <li>○ Experience owning affordable housing for low-income families, seniors and/or the homeless</li> <li>➤ Current asset management structure, staffing, and portfolio</li> <li>➤ Capacity for assuming asset management of an expanded portfolio once the development is complete</li> </ul>	
iii.	<b>Property Manager (8 pts)</b> <ul style="list-style-type: none"> <li>➤ Experience managing property for target populations</li> <li>➤ Experience achieving high rates of housing retention</li> <li>➤ Implements low barrier tenant selection policies</li> <li>➤ Contributes to long-term sustainability of the development</li> <li>➤ Achieves cost efficiencies in operations</li> </ul>	
iv.	<b>Service Providers (8 pts)</b> <ul style="list-style-type: none"> <li>➤ Experience delivering services to target populations</li> <li>➤ Experience linking residents to the City's safety net of services</li> <li>➤ Works with property management to achieve high rates of housing retention</li> <li>➤ Supports positive outcomes for residents around health and economic mobility</li> <li>➤ If applicable, provides explanation for service contracts terminated prematurely within the last 5 years</li> <li>➤ Discusses barriers to communities of color accessing quality health care services, employment and educational opportunities</li> </ul>	
v.	<b>Racial Equity Strategy (8 pts)</b> <ul style="list-style-type: none"> <li>➤ Describes level of racial equity awareness</li> <li>➤ Experience providing housing to COP and neighborhood preference holders</li> <li>➤ Uses innovative approaches to engagement with COP and neighborhood preference holders</li> <li>➤ Demonstrates commitment to racially diverse project development teams</li> </ul>	

	<p>Proposes a substantive partnership that increases opportunity/capacity for growth of smaller and Black, Indigenous and people of color, (BIPOC)-led organizations</p> <ul style="list-style-type: none"> <li>➤ Demonstrates experience with serving historically excluded communities of color</li> <li>➤ Describes approaches to overcoming historical obstacles to communities of color obtaining high quality affordable housing</li> <li>➤ Describes experience providing access and implementing service delivery strategies to historically excluded communities of color</li> </ul>	
<b>B.</b>	<b>VISION:</b>	<b>60</b>
i.	<p><b>Program Concept (20 pts)</b></p> <ul style="list-style-type: none"> <li>➤ Describes vision for a development program at this site, while best achieving the project goals, and includes: <ul style="list-style-type: none"> <li>○ A residential program and other envisioned uses;</li> <li>○ Indicates how the proposed uses and amenities will enhance the lives of the proposed target population and the surrounding neighborhood.</li> </ul> </li> <li>➤ Indicates particular groups served by the programs and spaces (tots, children, teens, homeless people, young adults, adults, elderly, disabled etc.).</li> <li>➤ Describes how the program will contribute to lowering barriers to persons of color seeking and retaining quality housing.</li> </ul>	
ii.	<p><b>Community Engagement Strategy (10 pts)</b></p> <ul style="list-style-type: none"> <li>➤ Describes community engagement strategy and includes: <ul style="list-style-type: none"> <li>○ The team's philosophy on community engagement;</li> <li>○ Process for establishing and/or building positive relationships with surrounding neighbors and the larger community;</li> <li>○ Efforts designed to engage all interested community members, including monolingual</li> </ul> </li> </ul>	

	<p>non-English speaking members of the community;</p> <ul style="list-style-type: none"> <li>○ How the Development Team intends to comply with the City's Language Access Ordinance.</li> </ul> <p>➤ Describes the Team's approach to achieving entitlements for the project expeditiously and the Team's approach to maintaining and building community relationships after entitlements have been achieved and the development is in operations.</p> <p>➤ Indicate how particular community engagement strategy will address the historical exclusion of communities of color from quality housing, including but not limited to marketing to attract target populations.</p>	
iii.	<p><b>Services Delivery Strategy (10 pts)</b></p> <p>➤ Describes the Development Team's services delivery strategy and includes:</p> <ul style="list-style-type: none"> <li>○ The overall service philosophy;</li> <li>○ Model for providing any anticipated services to formerly homeless residents (including case management ratio and provision of amenities such as front desk clerks, if applicable);</li> <li>○ The services goals of the proposed vision.</li> </ul> <p>➤ A brief description of the desired outcome of the services to be provided and innovative approaches to services provision, including the strategy of engaging residents and encouraging access to services.</p> <p>➤ Describes how services for residents will be coordinated with the existing network of services in the neighborhood and community.</p>	
iv.	<p><b>Finance &amp; Cost Containment Approach (10 pts)</b></p> <p>➤ Narration that describes the Development Team's financing approach to the project.</p> <p>➤ Includes the Team's process for structuring the project and controlling development costs.</p>	

	<ul style="list-style-type: none"> <li>➤ Includes innovative strategies intended to minimize MOHCD's projected capital gap financing.</li> <li>➤ Describes any innovative (i.e. non-standard, routine or commonly used) direct or indirect cost-cutting strategies relevant to overall development, construction or operating expenses.</li> <li>➤ Do not include proforma financials.</li> </ul>	
v.	<p><b>Racial Equity Strategy (10 pts)</b></p> <ul style="list-style-type: none"> <li>➤ Describes proposed resident services program, including the activities or types of services, how they will be provided, and the approach (such as timeline, hours and days of operation, examples, and best practices).</li> <li>➤ Explain how the Development Team's model removes barriers to intergenerational wealth, self-sufficiency and resiliency for persons of color, particularly COP holders, African American households and/or households in historically African American neighborhoods.</li> <li>➤ Explain how the strategy aligns with the four primary goals of this RFQ set forth in the Introduction.</li> </ul>	
<b>TOTAL POSSIBLE POINTS</b>		<b>100</b>

## 1. Experience

In **no more than five pages** of written narrative (in Times New Roman font, 12 font size, 1-inch margins), describe how each member of the Proposed Development Team has the most relevant experience for the successful development of the Project. **Describe how the Development Team has implemented lessons learned from past affordable housing experience.** Please note that Respondents are not limited to discussing the Qualifying Project(s).

- a. Developer:** Describe the Developer's track record successfully developing high-quality affordable housing, including supportive housing. In particular, discuss the Developer's experience completing affordable housing development projects on time and on budget, obtaining competitive financing terms, developing type V/I or III/I construction, developing for low-income families, seniors and homeless people and building community support for mixed use projects (affordable residential with ground floor commercial) through outreach for similar projects. In addition, describe the experience and capacity of current staff to take on a project of this type.

- b. Owner:** Describe the Owner's track record successfully owning housing financed with Low-Income Housing Tax Credits. In particular, discuss the Owner's experience owning affordable housing for low-income families, seniors or homeless people and describe the Owner's current asset management structure, staffing and portfolio, and its capacity for assuming asset management of an expanded portfolio once the development is complete. For purposes of this requirement, the managing general partner of the tax credit partnership intended to take ownership of the completed Project and to provide asset management for the Project is the proposed "Owner".
- c. Property Manager:** Describe the Property Manager's track record successfully managing high-quality affordable housing communities. In particular, discuss the Property Manager's experience providing management services for low-income families, seniors, homeless persons and communities of color; experience achieving high rates of housing retention, implementing low barrier tenant selection policies, contributing to the long-term sustainability of the development, and achieving cost efficiencies in operations.
- d. Services Provider(s):** Describe the Services Provider(s)' track record delivering highly impactful services to residents in affordable housing developments. In particular, discuss the Services Provider(s)' experience delivering services to low-income families, seniors, homeless persons and communities of color linking residents to the City's safety net of services, working with property management to achieve high rates of housing retention, and supporting positive outcomes for residents around health, economic mobility, and housing stability. If the Service Provider(s) have had any services contracts prematurely terminated in the last five years, include an explanation for each termination. Discuss barriers to communities of color accessing quality health care services, employment and educational opportunities
- e. Racial Equity Strategy:** The Mayor's Office of Housing and Community Development (MOHCD) recognizes the oppressive history of racial injustice, especially in housing and community services, the structural inequities that remain today, and the trauma those inequities perpetuate. Please describe the Developer team's level of racial equity awareness using the guidelines below:
- Understands and communicates that reducing racial inequities is mission critical
  - Routinely collects, disaggregates, and analyzes data by race/ethnicity in programmatic and operational work
  - Views diversity as a value-added feature of organizations, and enquires about the cultural competence of staff and grantees to work with diverse groups
  - Has mechanisms for management accountability for equity, diversity, and inclusion
  - Has mechanisms for staff accountability for equity, diversity, and inclusion

- Describes Development Team's present and future practices to meet MOHCD's racial equity goals as articulated in the four primary racial equity goals of this RFQ.
- Describes the Developer's experience with serving historically excluded communities of color.
- Has experience providing access and implementing service delivery strategies to historically excluded communities of color.
- Describes the demonstrated commitment to racially diverse project development teams
- Describes any substantive partnership that is part of the RFQ response that increases opportunity/capacity for growth of smaller and Black, Indigenous and people of color, (BIPOC)-led organizations in development role.

## 2. Vision

In **no more than seven pages** of written narrative (in Times New Roman font, 12 font size, 1-inch margins), describe the Proposed Development Team's vision for the successful development of the Project:

- a. Program concept:** Describe the Development Team's vision for a development program at this Site, while best achieving the original project goals (i.e. serve low-income families including a residential program and all other envisioned uses). Indicate how the proposed uses and amenities will enhance the lives of the future residents and the surrounding neighborhood. Indicate particular groups served by the programs and spaces (tots, children, teens, young adults, adults, elderly, disabled, homeless, etc.). Describe how the program will contribute to lowering barriers to persons of color seeking and retaining housing. Do not submit architectural drawings; scored responses must be in narrative form only.
- b. Community engagement strategy:** Describe the Development Team's community engagement strategy, including the team's philosophy on community engagement and process for establishing and/or building positive relationships with surrounding neighbors and the larger community. Describe the Team's approach to achieving entitlements for the project expeditiously and the Team's approach to maintaining and building community relationships after entitlements have been achieved and the development is in operations. The strategy should include efforts designed to engage all interested community members, including monolingual non-English speaking members of the community and how the Development Team intends to comply with the City's Language Access Ordinance. In particular address how the community engagement strategy will address the historical exclusion of communities of color from quality housing.
- c. Services delivery strategy:** Describe the Development Team's services delivery strategy, including the overall philosophy and model for providing services to targeted populations (including case management ratio and provision of amenities

such as front desk clerks), the services goals of the proposed vision, a brief description of the desired outcomes of the services to be provided and innovative approaches to services provision, including the strategy for engaging residents and encouraging access to services, and how services for residents will be coordinated with the existing network of services in the neighborhood and community.

- d. *Financing and cost containment approach:*** Describe the Development Team's financing approach to the project, including the Team's process for structuring the project and controlling development costs. Describe any innovative strategies intended to minimize MOHCD's projected capital gap financing. Also, describe any innovative (i.e., non-standard, routine or commonly used) direct or indirect cost-cutting strategies relevant to overall development, construction or operating expenses. Do not submit a development budget or pro forma. Scored responses must be in narrative form only.
- e. *Racial Equity Strategy:*** Please submit an overall statement regarding how the Development Team will incorporate the principles of racial equity in the development of the program concept, the community engagement strategy and services delivery strategy and marketing programs. Describe your proposed resident services program, including the activities or types of services, how they will be provided, and your approach (such as timeline, hours and days of operation, examples, and best practices). Explain how the Development Team's model removes barriers to intergenerational wealth, self-sufficiency and resiliency for persons of color, particularly COP holders, African American households and/or households in historically African American neighborhoods. Explain how the strategy aligns with the four primary goals of this RFQ set forth in the Introduction.

## **E. SUBMITTAL REQUIREMENTS OVERVIEW**

Using **Attachment 1 – Submittal Checklist**, check boxes of all items that will be submitted. Complete and submit **Attachment 2 - RFQ Registration Form**. All addenda, responses and additional information will be distributed to all parties who have submitted a registration form in accordance with Section IIB above.

### **1. Minimum Development Team Characteristics**

Submit **Attachment 3 - Respondent Description** to document the name of each organization, names of the organization's Director (or equivalent position) and primary contact persons, and phone numbers and email addresses for each of the following:

- Lead Developer and Co-Developers (if applicable)
- Development Consultant (if applicable)
- Owner(s)
- Property Manager(s)

- Service Provider(s)

For each Lead Developer and/or Co-Developer, submit a current copy of the following documents:

- Certificate of Good Standing** from the California Secretary of State
- Certification of 501(c)(3) status** (for nonprofit corporations) from the Internal Revenue Service.

## 2. Minimum Development Team Experience

Submit **Attachment 4 - Qualifying Project Form**, to document how the Qualifying Project characteristics meet each of the experience categories below (developer, owner, property manager, service provider.) The Development Team may submit more than one (1) Qualifying Project for each of the experience categories:

- Minimum Development Experience**
- Minimum Ownership Experience**
- Minimum Property Management Experience**
- Minimum Service Provision Experience**
- Minimum experience in incorporating principles of racial equity into development, management and service experience**

To demonstrate the minimum required development team experience, each team should submit one project for each experience category. When appropriate, teams may submit the same project as evidence of experience across multiple experience categories, or may use different projects to demonstrate experience across categories. In all cases, no more than five (5) total Qualifying Projects should be submitted. **Qualifying Projects will not be scored, but are used to identify if the proposed Development Team meets the minimum development team experience required to develop the Site.**

## 3. Minimum Developer and Owner Capacity Requirements

### a. Financial Capacity

- Latest two (2) years of either signed federal income tax returns (including schedules or attachments, if any); or audited financial statements (with management letters, if any).
- **Attachment 5 – Financing Terms for Developer’s Qualifying Project** to document the equity pricing and debt terms for the Qualifying Project submitted under Minimum Developer Experience.

### b. Staffing Capacity

- Description of Key Staff Experience – Provide written narrative of **no more than one page** (in Times New Roman font, 12 font size, and 1-inch margins) to document the experience and capacity of key staff, their workloads, and the organizational structure for supporting staff.



- **Attachment 6 – Projected Staffing Workload Form**, documenting the work assignments (existing or contemplated) associated with each staff person expected to work on the Project for Developer.
- c. **Asset Management Capacity**
- Proposed Owner’s recent **Real Estate Owned (REO) schedule**, documenting the number of projects and average number of units/project currently in Owner’s asset management portfolio.
  - Proposed Owner’s current **asset management staffing**, noting job titles, FTEs, and status of each position (filled/vacant).
  - Proposed Owner’s **organizational chart**.
- d. **Racial Equity Capacity**
- Demonstrate how developer has met the City’s minimum compliance standards for Equal Employment Opportunities on the **Qualifying Project**.

#### 4. Selection Criteria and Scoring

- a. **Experience** – Provide written narrative of **no more than five pages** (in Times New Roman font, 12 font size, and 1-inch margins).
- b. **Vision** - Provide written narrative of **no more than seven pages** (in Times New Roman font, 12 font size, and 1-inch margins).

Additional documents submitted in this section will not be allowed. The two written narratives above will only be the only documents reviewed and scored by the panel.

#### 5. Evidence of Authority

Provide a certified corporate resolution of the applicant or, in the case of a partnership, the applicant’s general partner, expressly authorizing the applicant to provide a response to this RFQ and, if selected by the City, to enter into negotiations with the City for the long-term lease of the MOHCD Site.

#### 6. Disclosure Form

Submit a completed and signed copy of **Attachment 7 – Disclosures**, which requires any respondent to this RFQ to disclose defaults, lawsuits, legal proceedings, bankruptcy filings or financial interests affiliated with MOHCD staff or Citywide Affordable Housing Loan Committee members. The individual who signs the form must be authorized to enter into legal agreements on behalf of the Respondent.

**Note Regarding Submittals:** Respondents may amend their response prior to the submission deadline. However, after the submission deadline, corrections are only allowed if immaterial and at the sole discretion of MOHCD.

## **VI. TERMS AND CONDITIONS OF REQUEST FOR QUALIFICATIONS**

### **A. DEVELOPER RESPONSIBILITIES**

The Selected Developer will be responsible for all aspects of development of the Site, including but not limited to the following:

- Involving local community stakeholders in the program setting and initial design of the Site.
- Marketing the development to intended target audiences consistent with the four goals of this RFQ, most notably outreach to Black communities historically excluded from quality housing or displaced from their neighborhoods.
- Conducting all appropriate due diligence, investigating and determining conditions of the Site and the suitability of the Site for the proposed Development.
- Securing all required development approvals, including but not limited to any necessary permits or approvals from the City's Planning Department and Department of Building Inspection, and from Federal and State agencies associated with environmental and historic preservation reviews (including Certificates of Appropriateness) as applicable.
- Obtaining adequate financing for all aspects of the proposed Development, including predevelopment, construction and operation.
- Designing and building the Development in a manner that produces a high-quality, enduring living environment.
- Owning, managing, and operating the Development in a manner that ensures its long-term financial viability and the ongoing satisfaction of residents.
- Complying with the requirements of any financing for the Development, including but not limited to:
  - a. Equal Employment Opportunities – The Selected Developer will be required to comply with local and federal procurement requirements, including the provision of equal employment opportunities for disadvantaged business consultants, architects, contractors, and other potential development team members to participate in the Development. To ensure that equal opportunity plans are consistent with City and Federal procurement requirements, sponsors should meet with MOHCD and San Francisco Contract Monitoring Division (CMD) staff prior to hiring their development team to develop a plan for such compliance. Although the City's Contract Monitoring Division (CMD) does not require prior approval or monitoring of procedures for selecting the architect for purposes of responding to this RFQ, the architect's Small Business Enterprise (SBE) status will be counted toward the overall Development's procurement goals which will be set at a later date.
  - b. Environmental Review - Depending on conditions at the Development Site and on Development plans, the proposed Development will be subject to

review under the California Environmental Quality Act (CEQA), the National Environmental Policy Act (NEPA), the National Historic Preservation Act (NHPA) and specifically the Section 106 historical resources preservation review. Department of City Planning design review may also be required.

- c. Accessibility Requirements - Development sponsors will be responsible for meeting all applicable accessibility standards related to publicly-funded multifamily housing under Section 504 of the Rehabilitation Act of 1973, the Architectural Barriers Act, the Americans with Disabilities Act, and certain statutes and regulations of the City and County of San Francisco. Units must meet TCAC accessibility requirements, which at the time of RFQ drafting require at least 50% of all units to be adaptable and a minimum of 10% of the units to be accessible, including units for the visually and hearing impaired.
- d. Prevailing Wages – This Development will be subject to applicable local, state or federal requirements with regard to labor standards. Developers should take prevailing wage requirements and labor standards into account when seeking estimates for contracted work, especially the cost of construction, and other work to which the requirements apply, and when preparing development budgets overall.
- e. Employment and Training – The Selected Developer will be required to work with the CityBuild initiative of the Office of Economic and Workforce Development to comply with local and federal requirements regarding the provision of employment opportunities for local and low-income residents and small businesses during both the development and operation of the Development, including complying with the City’s First Source Hiring requirements.
- f. Sustainable Design – The Mayor’s Office of Housing and Community Development seeks to maximize the overall sustainability of financed projects. The selected development team will be required to pursue any funding that may become available to help pay for the cost of planning and implementing green building components.
- g. Minimum Insurance Requirements – see Exhibit A – Minimum Insurance Requirements.

## **B. ERRORS AND OMISSIONS IN RFQ**

Respondents are responsible for reviewing all portions of this RFQ. Respondents are to promptly notify MOHCD, in writing, if the respondent discovers any ambiguity, discrepancy, omission, or other error in the RFQ. Any such notification should be directed to MOHCD promptly after discovery, but in no event later than five (5) working days prior to the date for receipt of proposals. Modifications and clarifications will be made by addenda as provided below.

### **C. ADDENDA TO RFQ**

MOHCD may modify the RFQ, prior to the response due date, by issuing written addenda. Addenda will be sent via email to the last known address of each person or firm listed with MOHCD as having received a copy of the RFQ for proposal purposes. MOHCD will make reasonable efforts to notify Respondents in a timely manner of modifications to the RFQ. Notwithstanding this provision, the Respondent shall be responsible for ensuring that its proposal reflects any and all addenda issued by MOHCD prior to the proposal due date regardless of when the proposal is submitted.

### **D. OBJECTIONS**

1. RFQ Terms. If any interested party objects to any provision or legal requirement in this RFQ, such party must provide written notice to MOHCD at mohcdrfq9@sfgov.org setting forth with specificity the grounds for the objection no later than seven (7) calendar days of the date for submitting qualifications (See Section III(A)). Failure to object in the manner and within the time set forth in this paragraph will constitute a complete and irrevocable waiver of any objection to this RFQ.
2. Notice of Non-Responsiveness. A Respondent may object to a determination that its submission of qualifications is non-responsive to this RFQ by delivering written notice to MOHCD setting forth with specificity the grounds for the objection no later than seven (7) calendar days after the date of the written notice to Respondent of MOHCD's determination of non-responsiveness. Failure to object in the manner and within the time set forth in this paragraph will constitute a complete and irrevocable waiver of any objection.
3. Selection of Development Team for Exclusive Negotiations. A Respondent may object to the selected Development Team and MOHCD Director's authorization to proceed with exclusive negotiations with such Development Team by delivering written notice to MOHCD setting forth with specificity the grounds for the objection by no later than seven (7) calendar days after the selected Development Team has been announced and made public by MOHCD. If a Respondent files a timely objection, the MOHCD Director will review such objection and respond in a timely manner, and MOHCD's authorization to enter into exclusive negotiations with the selected Development Team will not be binding until the MOHCD Director denies the objection. Failure to object in the manner and within the time set forth in this paragraph will constitute a complete and irrevocable waiver of any objection.
4. Delivery of Objections. Respondents must submit objections in writing, addressed to the person identified in this RFQ, and delivered to the MOHCD via email at mohcdrfq9@sfgov.org by the dates specified above in order to be

considered. Written objections must be transmitted by email and that will provide written confirmation of the date MOHCD received the objections. If a written objection is delivered by US mail, the Respondent bears the risk of non-delivery by the deadlines specified above.

#### **E. CLAIMS AGAINST MOHCD**

No Respondent will obtain by its response to this RFQ, and separately by its response waives, any claim against MOHCD by reason of any or all of the following: any aspect of this RFQ, any part of the selection process, any informalities or defects in the selection process, the rejection of any or all proposals, the acceptance of any proposal, entering into exclusive negotiations, conditioning exclusive negotiations, terminating exclusive negotiations, approval or disapproval of plans or drawings, entering into any transaction documents, the failure to enter into a lease or lease disposition and development agreement, any statements, representations, acts, or omissions of MOHCD, the exercise of any discretion set forth in or concerning any of the above, and any other matters arising out of all or any of the above.

#### **F. SUNSHINE ORDINANCE**

In accordance with San Francisco Administrative Code Section 67.24(e), contractors' bids, responses to RFQ's and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

#### **G. RESERVATIONS OF RIGHTS BY THE CITY**

1. The issuance of this RFQ and the selection of a developer pursuant to this RFQ are in no way a limitation of the discretion of any City board, commission, department, employee or official with respect to any review or approval required in connection with the proposed Development. The City's selection of a developer is in no way deemed to be the final approval of any Development proposed by the developer.
2. The information in this RFQ is provided solely for the convenience of respondents.

3. The City expressly reserves the right at any time to do waive or correct any defect or technical error in any response or procedure, as part of the RFQ or any subsequent negotiation process; reject any or all responses, without indicating the reasons for such rejection; cancel this RFQ at any time prior to award and reissue a Request for Qualifications; modify or suspend any and all aspects of the selection procedure, the scope of the proposed Development or the required responses, or the processes indicated in this RFQ; request that respondents clarify, supplement or modify the information submitted; extend deadlines for accepting responses, or request amendments to responses after expiration of deadlines; negotiate with any, all or none of the respondents to this RFQ; make a selection based directly on the proposals, or negotiate further with one or more of the respondents; during negotiation, expand or contract the scope of the proposed Development, or otherwise alter the Development concept in order to respond to new information, community or environmental issues; if at any time prior to the execution of binding agreements with the selected Development Team, MOHCD, in its sole discretion, determines that the selected Development Team will be unable to proceed with a timely and feasible Development in accordance with this RFQ or that the agreement will not serve in the City's best interest, MOHCD may terminate negotiations with the selected Development Team and begin negotiations with the next highest ranked Respondent; or determine that no Development will be pursued.
4. The issuance of this RFQ does not obligate the City to pay any costs whatsoever incurred by any respondent, including but not limited to costs incurred in connection with the preparation or presentation of responses or negotiations with the City. Developer teams responding to this RFQ do so at their own expense.
5. The issuance of this RFQ is only an invitation to submit qualifications and does not constitute an agreement by the City that any contract will actually be entered into by the City. This RFQ does not in any way limit the discretion of any City board, commission, employee or official with respect to any review or approval of any aspect of a proposed Development.
6. The City will not approve any ground lease for the Site that would allow for its development until there has been compliance with the California Environmental Quality Act (CEQA), and, as applicable, the National Environmental Protection Act (NEPA). If the proposed Development is found to cause significant adverse impacts, the City reserves absolute discretion to require additional environmental analysis, and to: (a) modify the Development to mitigate significant adverse environmental impacts; (b) select feasible alternatives which avoid significant adverse impacts of the proposed Development; or (c) reject or proceed with the Development as proposed, depending upon a finding of whether or not the economic and social benefits of the Development

outweigh otherwise unavoidable significant adverse impacts of the Development.

7. The City reserves the right to disqualify any respondent to this RFQ based on any real or apparent conflict of interest that is disclosed by the responses submitted or on the basis of other information available to the City. The City may exercise this right in its sole discretion.

## **Exhibit A: Minimum Insurance Requirements**

### **1. Developer, Contractors.**

(a) to the extent Developer or its contractors and subcontractors have "employees" as defined in the California Labor Code, workers' compensation insurance with employer's liability limits not less than One Million Dollars (\$1,000,000) each accident, injury or illness;

(b) commercial general liability insurance, with limits no less than One Million Dollars (\$1,000,000) combined single limit per occurrence and Two Million Dollars (\$2,000,000) annual aggregate limit for bodily injury and property damage, including coverage for contractual liability; personal injury; fire damage legal liability; advertisers' liability; owners' and contractors' protective liability; products and completed operations; broad form property damage; and explosion, collapse and underground (XCU) coverage during any period in which Developer is conducting any activity on, alteration or improvement to the Family Site with risk of explosions, collapse, or underground hazards;

(c) business automobile liability insurance, with limits not less than One Million Dollars (\$1,000,000) each occurrence, combined single limit for bodily injury and property damage, including owned, hired and non-owned auto coverage, as applicable;

(d) professional liability insurance of no less than One Million Dollars (\$1,000,000) per claim and Two Million Dollars (\$2,000,000) annual aggregate limit covering all negligent acts, errors and omissions of Developer's architects, engineers and surveyors. If the professional liability insurance provided by the architects, engineers, or surveyors is "Claims made" coverage, Developer shall assure that these minimum limits are maintained for no less than three (3) years beyond completion of the constructions or remodeling. Any deductible over Fifty Thousand Dollars (\$50,000) each claim must be reviewed by Risk Management; and

(e) a crime policy or fidelity bond covering Developer's officers and employees against dishonesty with respect to the Funds of no less than Seventy Five Thousand Dollars (\$75,000) each loss, with any deductible not to exceed Five Thousand Dollars (\$5,000) each loss, including the City as additional obligee or loss payee;

(f) pollution liability and/or asbestos pollution liability applicable to the work being performed with a limit no less than One Million Dollars (\$1,000,000) per claim or occurrence and Two Million Dollars (\$2,000,000) annual aggregate per policy. This coverage shall be endorsed to include Non-Owned Disposal Family Site coverage. This policy may be provided by the Developer's



contractor, provided that the policy must be “claims made” coverage and Developer must require Developer’s contractor to maintain these minimum limits for no less than three (3) years beyond completion of the construction or remodeling.

## 2. Property Insurance.

Developer must maintain, or cause its contractors and property managers, as appropriate for each, to maintain, insurance and bonds as follows:

### (a) Prior to construction:

(i) Property insurance, excluding earthquake and flood, in the amount no less than One Hundred Percent (100%) of the replacement value of all improvements prior to commencement of construction and City property in the care, custody and control of the Developer or its contractor, including coverage in transit and storage off-Family Site; the cost of debris removal and demolition as may be made reasonably necessary by such perils, resulting damage and any applicable law, ordinance or regulation; start up, testing and machinery breakdown including electrical arcing; and with a deductible not to exceed Ten Thousand Dollars (\$10,000) each loss, including the City and all subcontractors as loss payees.

### (b) During the course of construction:

(i) Builder’s risk insurance, special form coverage, excluding earthquake and flood, for one hundred percent (100%) of the replacement value of all completed improvements and City property in the care, custody and control of the Developer or its contractor, including coverage in transit and storage off-Family Site; the cost of debris removal and demolition as may be made reasonably necessary by such covered perils, resulting damage and any applicable law, ordinance or regulation; start up, testing and machinery breakdown including electrical arcing, copy of the applicable endorsement to the Builder’s Risk policy, if the Builder’s Risk policy is issued on a declared-Development basis; and with a deductible not to exceed Ten Thousand Dollars (\$10,000) each loss, including the City and all subcontractors as loss payees.

(ii) Performance and payment bonds of contractors, each in the amount of One Hundred Percent (100%) of contract amounts, naming the City and Developer as dual obligees or other completion security approved by the City in its sole discretion.

### (c) Upon completion of construction:

- (i) (i) Property insurance, excluding earthquake and flood, in the amount no less than One Hundred Percent (100%) of the replacement value of all completed improvements and City property in the care, custody and control of the Developer or its contractor. For rehabilitation/construction Developments that are unoccupied by residential or commercial tenants, Tenant must obtain Property Insurance by the date that the Development receives a Certificate of Substantial Completion.
- (ii) (ii) Boiler and machinery insurance, comprehensive form, covering damage to, loss or destruction of machinery and equipment located on the Family Site that is used by Developer for heating, ventilating, air-conditioning, power generation and similar purposes, in an amount not less than one hundred percent (100%) of the actual replacement value of such machinery and equipment with a deductible not to exceed Ten Thousand Dollars (\$10,000) each loss, including the City as loss payee.

The following notice is provided in accordance with the provisions of California Civil Code Section 2955.5: Under California law, no lender shall require a Developer, as a condition of receiving or maintaining a loan secured by real property, to provide hazard insurance coverage against risks to the improvements on that real property in an amount exceeding the replacement value of the improvements on the property.

### 3. Commercial Space.

Developer must require that all nonresidential tenants' liability insurance policies include Developer and the City as additional insureds, as their respective interests may appear. Throughout the term of any lease of Commercial Space in the Development, Developer must require commercial tenants to maintain insurance as follows:

- (a) to the extent the tenant has "employees" as defined in the California Labor Code, workers' compensation insurance with employer's liability limits not less than One Million Dollars (\$1,000,000) each accident;
- (b) commercial general liability insurance, with limits not less than One Million Dollars (\$1,000,000) each occurrence, combined single limit for bodily injury and property damage, including coverage for contractual liability; personal injury; advertisers' liability; including coverage for loss of income due to an insured peril for twelve (12) months; owners' and contractors' protective; broad form property damage; explosion, collapse and underground (XCU); products and completed operations coverage;

(c) business automobile liability insurance, with limits not less than One Million Dollars (\$1,000,000) each occurrence, combined single limit for bodily injury and property damage, including owned, hired and non-owned auto coverage, as applicable;

(d) with respect to any tenant who has (or is required by Law to have) a liquor license and who is selling or distributing alcoholic beverages and/or food products on the leased premises, to maintain liquor and/or food products liability coverage with limits not less than One Million Dollars (\$1,000,000), as appropriate;

(e) special form coverage insurance, including vandalism and malicious mischief, in the amount of 100% of the full replacement cost thereof, covering all furnishings, fixtures, equipment, leasehold improvements, alterations and property of every kind of the tenant and of persons claiming through the tenant; and

(f) full coverage plate glass insurance covering any plate glass on the commercial space.

#### 4. General Requirements.

(a) General and automobile liability policies of Developer, contractors, commercial tenants and property managers must include the City, including its Boards, commissions, officers, agents and employees, as an additional insured by endorsement acceptable to the City.

(b) All policies required by this Agreement must be endorsed to provide no less than thirty (30) days' written notice to the City before cancellation or intended non-renewal is effective.

(c) With respect to any property insurance, Developer hereby waives all rights of subrogation against the City to the extent of any loss covered by Developer's insurance, except to the extent subrogation would affect the scope or validity of insurance.

(d) Approval of Developer's insurance by the City will not relieve or decrease the liability of Developer under this Agreement.

(e) Any and all insurance policies called for herein must contain a clause providing that the City and its officers, agents and employees will not be liable for any required premium.

(f) The City reserves the right to require an increase in insurance coverage in the event the City determines that conditions show cause for an

increase, unless Developer demonstrates to the City's satisfaction that the increased coverage is commercially unreasonable and unavailable to Developer.

(g) All liability policies must provide that the insurance is primary to any other insurance available to the additional insureds with respect to claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought and that an act of omission of one of the named insureds that would void or otherwise reduce coverage will not void or reduce coverage as to any other insured, but the inclusion of more than one insured will not operate to increase the insurer's limit of liability.

(h) Any policy in a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs are included in the general annual aggregate limit must be in amounts that are double the occurrence or claims limits specified above.

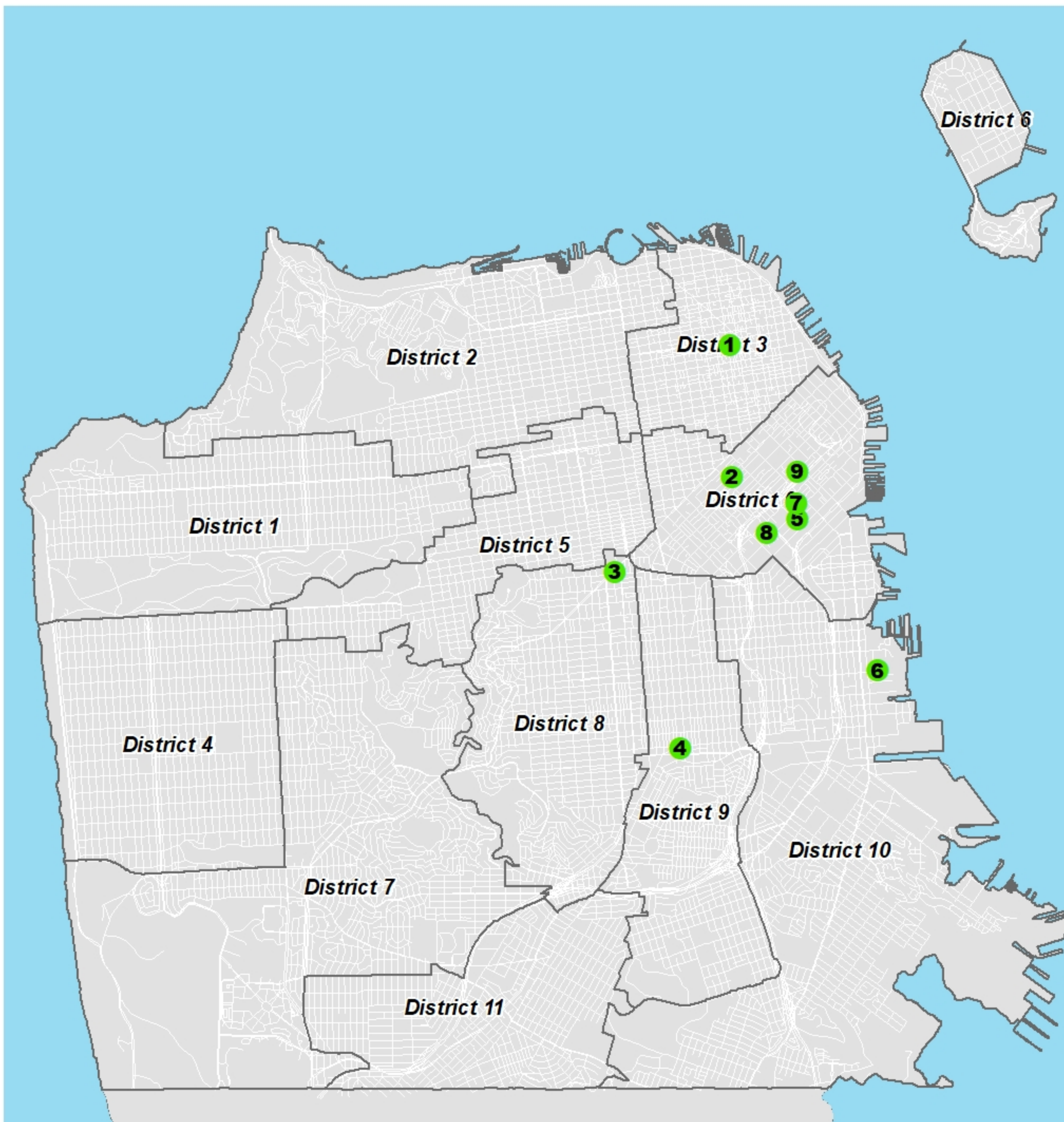
(i) All claims based on acts, omissions, injury or damage occurring or arising in whole or in part during the policy period must be covered. If any required insurance is provided under a claims-made policy, coverage must be maintained continuously for a period ending no less than three (3) years after recordation of a notice of completion for builder's risk or the Compliance Term for general liability and property insurance.

(j) Developer must provide the City with copies of endorsements for each required insurance policy and make each policy available for inspection and copying promptly upon request.

## **VII. APPENDICES**


**Exhibit 1: Map of the Sites**

Please see attached.



## Housing Sites by Address

- 1** 772 Pacific Avenue
- 2** 967 Mission Street
- 3** 1939 Market Street
- 4** 1515 South Van Ness Avenue
- 5** 88 Bluxome
- 6** Unassigned (Parcel C2A)
- 7** 160 Freelon (598 Brannan)
- 8** 71 Boardman Place
- 9** 725 Harrison Street

 Supervisor District



**Attachment 1**  
**RFQ Submittal Checklist**

See attached spreadsheet.

## Multisite RFQ - Submittal Checklist

### Attachment 1

Project Sponsor:

Check Box	Tab #	Submittal Requirement	Attachments & Notes
		RFQ Registration Form	Attachment 2 - RFQ Registration Form
<input type="checkbox"/>	1)	Development Team Characteristics	Attachment 3 - Respondent Description
<input type="checkbox"/>	1.a	Certificate of Good Standing	
<input type="checkbox"/>	1.b	Certification of 501(c )(3) status (for nonprofit corporations)	
<input type="checkbox"/>	2)	Minimum Development Team Experience	
<input type="checkbox"/>	2.a	Minimum Development Experience	Attachment 4 - Qualifying Project Form
<input type="checkbox"/>	2.b	Minimum Ownership Experience	Attachment 4 - Qualifying Project Form
<input type="checkbox"/>	2.c	Minimum Property Management Experience	Attachment 4 - Qualifying Project Form
<input type="checkbox"/>	2.d	Minimum Service Provision Experience	Attachment 4 - Qualifying Project Form
<input type="checkbox"/>	3)	Minimum Developer and Owner Capacity Requirements	
<input type="checkbox"/>	3.a	Financial Capacity	Latest (two) 2 years of tax returns or audited financial statements w/ management letters
<input type="checkbox"/>			Attachment 5 - Financing Terms for Developer's Qualifying Project
<input type="checkbox"/>	3.b	Staffing Capacity	Description of Key Staff Experience – written narrative of no more than one page (in Times New Roman font, 12 font size, and 1-inch margins)
<input type="checkbox"/>			Attachment 6 - Projected Staffing Workload Form
<input type="checkbox"/>	3.c	Asset Management Capacity	Proposed Owner's recent Real Estate Owned (REO) schedule
<input type="checkbox"/>			Proposed Owner's Asset Management staffing noting job titles, FTEs, and status of each position
<input type="checkbox"/>			Proposed Owner's organizational chart
<input type="checkbox"/>	3.d	Racial Equity Capacity	Meeting City's minimum compliance standards for Equal Employment Opportunities on Qualifying Project
	4)	Selection Criteria and Scoring	
<input type="checkbox"/>	4.a	Experience	Written narrative of no more than 5 pages (in Times New Roman font, 12 font size, 1-inch margins)
	i.	Developer	
	ii.	Owner	
	iii.	Property Manager	
	iv.	Services Provider	
	v.	Racial Equity Strategy	
<input type="checkbox"/>	4.b	Vision	Written narrative of no more than 7 pages (in Times New Roman font, 12 font size, 1-inch margins)
<input type="checkbox"/>	i.	Program Concept	
	ii.	Community Engagement Strategy	
	iii.	Services Delivery Strategy	
	iv.	Financing and Cost Containment Approach	
<input type="checkbox"/>	v.	Racial Equity Strategy	
<input type="checkbox"/>	5)	Evidence of Authority	Certified corporate resolution
<input type="checkbox"/>	6)	Signed Disclosure Form	Attachment 7 - Disclosures



**Attachment 2**  
**RFQ Registration Form**

See attached. Submit one per organization.

**MOHCD Multisite RFQ**

**Attachment 2**

**RFQ Registration Form**

Name of Organization

Address

Contact Person

Phone:

Email:

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**Attachment 3**  
**Respondent Description**

See attached document.

## ATTACHMENT 3: MOHCD MULTISITE RFQ RESPONDENT DESCRIPTION

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### A1. Developer Information

Name of Lead Developer:	
Director:	
Phone/email address:	
Primary Contact person:	
Phone/email address:	

### A2. Co-Developer Information (if applicable)

Name of Co-Developer:	
Director:	
Phone/email address:	
Primary Contact person:	
Phone/email address:	

### A3. Development Consultant Information (if applicable)

Name of Consultant:	
Phone/email address:	
Primary Contact person:	
Phone/email address:	

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### B. Owner Information (if different than above)

Name of Owner:	
Director:	
Phone/email address:	
Primary Contact person:	
Phone/email address:	

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### C. Property Manager Information

Name of Management Company:	
Address:	
Director:	
Phone/email address:	
Primary Contact Person:	
Phone/email address:	

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**NOTE:** This form will be posted along with the RFQ on the MOHCD website and can be downloaded and filled out electronically. The completed form must be submitted along with all other proposal materials as described in the RFQ.

MOHCD RFQ Version November 2020

**D1. Service Provider Information**

Name of Service Provider:	
Address:	
Director:	
Phone/email address:	
Primary Contact Person:	
Phone/email address:	

***NOTE: This form will be posted along with the RFQ on the MOHCD website and can be downloaded and filled out electronically. The completed form must be submitted along with all other proposal materials as described in the RFQ.***

***MOHCD RFQ Version November 2020***

**Attachment 4**  
**Qualifying Project Form**

See attached document.

# MOHCD MULTISITE RFQ

## ATTACHMENT 4: QUALIFYING PROJECT FORM

<b>Experience Categories</b> (circle which applies to this form)	a. Development b. Ownership c. Property Management d. Service Provision																									
<b>Project Name and Address</b>																										
<b>Developer Name</b>																										
<b>Developer Role(s)</b> ( <i>i.e.</i> managing partner, limited partner, consultant, etc; identify if joint-venture)																										
<b>Project Type</b> ( <i>i.e.</i> new construction, rehabilitation)																										
<b>Construction Dates</b> (indicate construction start and completion year)																										
<b>Construction Type(s)</b> (indicate material, <i>i.e.</i> wood, steel, etc)																										
<b>Total Number of Residential Units</b>																										
<b>Unit Mix</b> ( <i>i.e.</i> # of studios, 1-Bdrms, etc; <u>most restricted</u> Area Median Income breakdown, average affordability level)	<table border="1" style="width: 100%; border-collapse: collapse; margin-bottom: 10px;"> <tr> <th style="width: 15%;">Unit Type</th> <th style="width: 15%;">≤ 30% AMI</th> <th style="width: 15%;">40% AMI</th> <th style="width: 15%;">50% AMI</th> <th style="width: 15%;">60% AMI</th> </tr> <tr> <td>Studio</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1-br</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>2-br</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>3-br</td> <td></td> <td></td> <td></td> <td></td> </tr> </table> <div style="margin-top: 10px;">             Total Number of Units: _____              Average Affordability Level: _____           </div>	Unit Type	≤ 30% AMI	40% AMI	50% AMI	60% AMI	Studio					1-br					2-br					3-br				
Unit Type	≤ 30% AMI	40% AMI	50% AMI	60% AMI																						
Studio																										
1-br																										
2-br																										
3-br																										
<b>Population Breakdown</b> ( <i>i.e.</i> Family Rental, Senior Rental, Supportive Housing)																										
<b>Amenities Included</b> ( <i>i.e.</i> community room, front desk, laundry, resident courtyards)																										
<b>Total Residential Square Footage</b>																										
<b>Total Square Footage of Commercial Area and Use</b> , if any																										
<b>Summary of Financing Sources</b> (indicate construction and																										

**NOTE:** This form will be posted along with the RFQ on the MOHCD website and can be downloaded and filled out electronically. The completed form however must be submitted along with all other proposal materials as described in the RFQ.

## MOHCD MULTISITE RFQ

permanent financing sources and amounts)	
<b>Total Development Cost</b> (include per unit and per square foot cost)	
<b>Government Affordable Housing Program Involvement</b> (briefly describe)	
<b>Budget/Schedule Variance</b> (describe any variance from budget and schedule approved at construction start; explain amount, length of time, reasons and source of funds to cover additional costs)	

**NOTE:** This form will be posted along with the RFQ on the MOHCD website and can be downloaded and filled out electronically. The completed form however must be submitted along with all other proposal materials as described in the RFQ.



**Attachment 5**  
**Financing Terms for Developer's Qualifying Project**

See attached document.

## ATTACHMENT 5: FINANCING TERMS FOR DEVELOPER'S QUALIFYING PROJECT (submitted under Minimum Developer Experience)

Project Name:		Construction Loan/L.P. Closing Date:	
Joint Venture (circle Y or N, if applicable): Y or N			
<b>CONSTRUCTION LENDER NAME</b>			
Loan Amount			
Construction Loan Rate			
Term			
<b>PERMANENT LENDER NAME</b>			
Loan Amount			
Permanent Rate			
Term/Amortization			
<b>Lender's Fees &amp; Requirements:</b>			
Debt Service Coverage Ratio (DSCR)			
Replacement Reserves (per unit annum)			
Operating Reserves			
Conversion Requirements			
Other Conditions			
<b>TAX CREDIT INVESTOR NAME</b>			
Total Investor Contribution and Amount/Credit			
<b>Capital Contribution Schedule (include timing &amp; amount):</b>			
Construction Closing			
During Construction (describe timing)			
At Conversion			
Other			
Final			
<b>Investor's Fees &amp; Requirements:</b>			
Guarantor(s)			
Asset Management Fee			
General Partner Management Fee			
Incentive Management Fee			
Replacement Reserves (per unit annum)			

**NOTE:** This form will be posted along with the RFQ on the MOHCD website and can be downloaded and filled out electronically. The completed form however must be submitted as a hard copy along with all other proposal materials as outlined in the RFQ.

Operating Reserves	
Credit Adjuster and Timing Adjuster Requirements	
Other Conditions	

**NOTE:** This form will be posted along with the RFQ on the MOHCD website and can be downloaded and filled out electronically. The completed form however must be submitted as a hard copy along with all other proposal materials as outlined in the RFQ.

**Attachment 6**  
**Projected Staffing Workload Form**

See attached spreadsheet.

ATTACHMENT 6 - PROJECTED STAFFING WORKLOAD FORM

PROJECTED STAFFING WORKLOAD

Please complete this form for Developer and Co-developer Add additional lines and/or columns if necessary.  
List and identify all work assignments (existing or contemplated) associated with each staff person expected to work on the identified project from the beginning of predevelopment to start of construction.  
Estimate the percentage FTE each person is expected to dedicate to each Project Assignment or other task

DEVELOPER (Name):			Development Project Assignments (% FTE for each assignment) - must identify all projects				Other Assignments	
Staff person Name	Position Title	Total FTE %						
		0%						
		0%						
		0%						
		0%						

CO-DEVELOPER (Name):			Development Project Assignments (% FTE for each assignment) - must identify all projects				Other Assignments	
Staff person Name	Position Title	Total FTE %						
		0%						
		0%						
		0%						
		0%						

NOTE: This form will be available along with the RFQ on the MOHCD website and can be downloaded and filled out electronically.  
However, the completed form must be submitted along with all other proposal materials as outlined in the RFQ.

## **Attachment 7**

### **Disclosures**

**Instructions:** *Please respond completely to each question below. If the Respondent<sup>i</sup> is an individual, then the information relative to that individual should be disclosed. If the Respondent is a group or joint venture, then information relative to each member of the group or entities that comprise the joint venture should be disclosed. If the Respondent is a corporation, then the information relative to the corporation should be disclosed.*

1. Has Respondent ever defaulted on a loan or other financial obligation? This includes all affiliate corporations and partnerships in which Respondent is or was a general partner. If so, please describe the circumstances including dates and current status:
  
2. Are there any prior or pending legal proceedings, actions, convictions or judgments that have been filed against Respondent or its wholly owned subsidiaries, or any prior or pending arbitrations or mediations? If so, provide dates the complaints were filed and the present status of the litigation or the status of the arbitrations or mediations:
  
3. Are there any prior or pending administrative complaints/hearings against or any debarment or suspensions of or other administrative determinations by any federal, state or local government entity relating to Respondent, against any of Respondent's affiliated corporations or partnerships in which Respondent is a general partner, or other business entity? If so, please describe the circumstances including dates, agency or body conducting the investigation or inquiry and the current status:
  
4. Has Respondent or its wholly owned subsidiaries ever filed for bankruptcy? Please include dates and jurisdiction of filing, the reason, and current status:
  
5. Describe any business, property, gifts, loans, investments or other financial relationships Respondent, or its individual principals, corporation, LLC, LLP, affiliated corporations or partnerships in which Respondent is a general partner, may have with any senior staff of the Mayor's Office of Housing and Community Development (MOHCD) or any member of the Citywide Affordable Housing Loan

Committee or his/her immediate family which are considered a financial interest as defined by Section 87103 of the Fair Political Practices Act.<sup>ii</sup>

Respondent hereby certifies under penalty of perjury under the laws of the State of California that all information provided in this Disclosure questionnaire is true and correct.

Date: \_\_\_\_\_ Signed: \_\_\_\_\_

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<sup>ii</sup> For the purposes of this RFP, the term “Respondent” shall mean the respondent to this RFP regardless of legal form. Thus Respondent applies to individuals, sole proprietorships, joint ventures, unincorporated associations, partnerships, LLCs, LLPs, corporations (whether for profit, nonprofit, California or out of state) and any other entity legally entitled to do business in the State of California.

<sup>ii</sup> In summary Government Code Section 87100 requires any public officials participating in making decisions to refrain from using their official position to influence a governmental decision in which they know or has reason to know they have a financial interest. Section 87103 defines a financial interest as one that has a material, financial effect on the official or a member of their immediate family as follows: business interest – over \$2,000; real property interest – over \$2,000; other source of income within 12 months before the decision – over \$500; gift or intermediary for donor of gift within 12 months - \$250; business entity in which the official is a director, officer, partner, trustee, employee or holds a position of management. See Government Code Section 87103 for the complete definition.



## NOTICE OF FINAL APPROVAL OF AN SB 35 PROJECT

*Date:* 5/31/2023  
*BPA No.:* 202211045959  
*Planning Record No.* **2022-009171PRJ**  
*Project Address:* **1939 MARKET ST**  
*Zoning:* NCT-3 - MODERATE SCALE NEIGHBORHOOD COMMERCIAL TRANSIT DISTRICT  
85-X Height and Bulk District  
*Cultural Districts:* None  
*Block/Lot:* 3501 / 006 and 007  
*Project Sponsor:* Clare Murphy  
Mercy Housing California  
1256 Market Street  
San Francisco, CA 94103  
*Staff Contact:* Jeffrey Horn - 628-652-7366  
[Jeffrey.Horn@sfgov.org](mailto:Jeffrey.Horn@sfgov.org)

### Project Description

The proposed project consists of a 159-foot tall, 15-story multi-family residential building, with a total of 187 affordable apartments for seniors (a mix of studio, one-bedroom and two-bedroom units), residential interior amenity spaces and outdoor spaces. The building's ground floor includes a 1,524 square foot commercial space, residential lobby and mailroom, and residential service offices. The project includes on-site bike parking, and no on-site vehicle parking.

### Background

California Senate Bill 35 (SB-35) was signed by Governor Jerry Brown on September 29, 2017 and became effective January 1, 2018. SB-35 applies in cities that are not meeting their Regional Housing Need Allocation (RHNA) goal for construction of above-moderate income housing and/or housing for households below 80% area median income (AMI). SB-35 amends Government Code Section 65913.4 to require local entities to streamline the approval of certain housing projects by providing a ministerial approval process, removing the requirement for CEQA analysis, and removing the requirement for Conditional Use Authorization or other similar discretionary entitlements granted by a Planning Commission.

Roselie Enriquez Ledda submitted an SB-35 Application for the project at 1939 Market Street on November 8, 2022. On December 17, 2022, department staff determined that the SB-35 Application was complete, and that the proposed project was eligible for SB-35.



The Planning Director did not request a Planning Commission Hearing or Historic Preservation Commission Hearing for this project.

## Project Approval

The Project Sponsor seeks to proceed pursuant to Planning Code Section 206.6, Individually Requested State Density Bonus Law, Government Code Section 65915 et seq (the “State Law”). Under subsection 65915(b)(1)(G) of the State Law, a housing development that provides 100 percent of the total units for lower income households is entitled to four concessions and incentives that result in identifiable and actual cost reductions to provide for affordable housing costs. Such project, when located within one-half mile of a major transit stop, shall be relieved of maximum density controls and shall also receive a 50% gross floor area bonus, and unlimited waivers from development standards that might otherwise preclude the construction of the project are permitted under this subsection of the State Law.

Since the Project Sponsor is providing 187 units of housing affordable to low-income households, and the project is located within one-half mile of a major transit stop, the project is not subject to any maximum control on density and is entitled to receive up to four concessions/incentives, a 50% gross floor area bonus, and unlimited waivers. The project sponsor is requesting one concession/incentive from the development standards for transparency and fenestration (Planning Code Section 145.1(c)(6)). The project has requested waivers from the development standards for height ( Planning Code Section 260), rear yard (Planning Code Section 134), usable open space (Planning Code Section 135), active uses at the street frontage (Planning Code Section 145.1(c)(3)), ground floor commercial (Planning Code Section 145.4) and off-street freight loading (Planning Code Section 152).

## Concessions and Incentives

The project has requested a concession/incentive from the development standards for transparency and fenestration (Planning Code Section 145.1(c)(6)). Pursuant to Planning Code Section 206.6, the Department shall grant the concession or incentive requested by the applicant unless the Department makes a written finding, based upon substantial evidence, of any of the following:

- A. The concession or incentive does not result in identifiable and actual cost reductions, consistent with subdivision (k), to provide for affordable housing costs, as defined in Section 50052.5 of the Health and Safety Code, or for rents for the targeted units to be set as specified in subdivision (c).

*Transparency and Fenestration* Planning Code Section 145.1(c)(6) requires that frontages with active uses have transparent windows and/or doorways for no less than 60% of the street frontage at the ground level to allow visibility to the inside of buildings. The Project proposes commercial and accessory residential uses at the ground floor along the Market Street frontage and commercial and building service uses along the Duboce Avenue frontage. Of the 2,861 square feet of area at ground floor frontage along Duboce Avenue, 665.5 feet of area (or 23%) would be provided as qualifying active uses with transparent fenestration. Strict compliance with this section of the Planning Code would require the developer to construct a basement level to provide an area for the relocated building services. The relocation of non-active uses and the addition of basement level to the

*building would result in an overall cost increase of \$6,500,000. Without an incentive or concession from the Planning Code's transparency and fenestration requirements, the Project and accompanying density bonus would not be feasible.*

- B. The concession or incentive would have a specific, adverse impact, as defined in paragraph upon public health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact without rendering the development unaffordable to low-income and moderate-income households.

*The requested concession/incentive from the development standards transparency and fenestration at the street frontage (Planning Code Section 145.1(c)(6)) would not result in a specific, adverse impact to public health and safety or the physical environment, or on any real property that is listed in the California Register of Historical Resources.*

- C. The concession or incentive would be contrary to state or federal law.

*The requested concession/incentive from the development standard for transparency and fenestration at the street frontage (Planning Code Section 145.1(c)(6)) would not be contrary to state or federal law.*

## Waivers

The Planning Department may waive any development standard that will have the effect of physically precluding the construction of a development at the densities or with the concessions or incentives permitted by the State Density Bonus Law. The Department is not required to waive or reduce development standards if the waiver or reduction would have a specific, adverse impact upon health, safety, or the physical environment, and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact. The Department is not required to waive or reduce development standards that would have an adverse impact on any real property that is listed in the California Register of Historical Resources, or to grant any waiver or reduction that would be contrary to state or federal law.

The project has requested waivers from the development standards for height (Planning Code Section 260), rear yard (Planning Code Section 134), usable open space (Planning Code Section 135), active uses at the street frontage (Planning Code Section 145.1(c)(3)), ground floor commercial uses (Planning Code Section 145.4) and off-street freight loading (Planning Code Section 152).

- A. The waiver is not required to permit the construction of the project meeting the density permitted or with the Concessions and Incentives permitted under Planning Code Section 206.6.

***Height** Per Planning Code Section 260, the maximum height limit for the subject property is 85 feet. The Project proposes a 159-foot-tall building to accommodate additional affordable units. Limiting the height of the building to 85 feet as allowed under Planning Code Section 260 would reduce the number of dwelling units by approximately half of the total units that are currently proposed, thus the project is eligible for the Waiver.*

**Rear Yard** Per Planning Code Section 134, the Project is required to provide a Rear Yard equal to 25% of the depth of the lot, to be provided at the lowest story containing a dwelling unit and at each succeeding level or story of the building. The Project proposes to relocate and reconfigure the required Rear Yard to the southern corner of the triangular shaped parcel. The relocated rear yard allows for a double-loaded corridor layout of the residential floors, which simplifies the geometry of the building and efficiently maximizes the use of the interior space, allowing the building to contain the number of dwelling housing units currently proposed, and thus is an eligible Waiver.

**Open Space** The requested waiver from usable open space further allows the project to add dwelling units at the project site. 1,592 square feet of common usable open space is provided, approximately seventeen percent of the square footage required, and is maximized in a common area at the podium's roof deck. Providing private open space in the form of balconies or additional common space in the form of a roof deck is financially and operationally infeasible, as it would preclude the construction of the proposed new building.

**Active Uses** Planning Code Section 145.1(c)(3) requires that space for active uses be provided within the first 25 feet of building depth at the ground floor and the first 15 feet on floors above from any façade facing a street at least 30 feet wide. Active uses includes any principal, conditional, or accessory use that by its nature does not require non-transparent walls facing a public street or involves the storage of goods or vehicles, and in residential buildings, spaces accessory to residential uses, such as fitness or community rooms, are considered active uses only if they meet the intent of this section and have access directly to the public sidewalk or street, and building lobbies are considered active uses, so long as they do not exceed 40 feet or 25 percent of building frontage, whichever is larger. The project's frontage along Market Street will contain a residential lobby, and offices for building management and resident services that comprise a total of 100 linear feet (63%) and the Duboce frontage will contain 106 linear feet (59%) of mechanical and operational building services with non-transparent walls. Strict compliance with this section of the Planning Code would require the developer to either make alterations to the ground floor levels to be consistent with Ground Floor Residential Design Guidelines, or create a basement level to relocate building services, or relocate resident service uses to a higher floor, which would reduce the residential area for and decrease the overall number of residential units.

**Ground Floor Commercial Uses** Per Planning Code Section 145.4, street frontages on Market Street located within an NCT-3 District shall be developed at the ground floor with active commercial uses. The project's frontage along Market Street will contain the residential lobby, and offices for building management and resident services that comprise a total of 100 linear feet (63%) and are not considered active commercial uses. Strict compliance with this section of the Planning Code would require the developer to relocate resident service uses to a higher floor, which would reduce the residential area and decrease the overall number of residential units.

**Off-Street Loading** Per Planning Code Section 152.1, the Project must provide one off-street loading space. The Project does not provide any off-street loading spaces. The inclusion of an off-street loading space would require the relocation of ground floor resident services to an upper floor of the building, which would result in the loss of residential area needed to provide the number of units currently proposed. Additionally, site constraints including the lot shape and restrictions on modifications of the street frontage make an off-street loading space that meets the dimensional and locational standards of Planning Code Sections 152.1 infeasible without requiring relocation of resident services such that at least one (1) dwelling unit would be lost.

- B. The waiver would have a specific, adverse impact, as defined in paragraph upon public health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact without rendering the development unaffordable to low-income and moderate-income households.

*The requested waivers from the development standards for height (Planning Code Section 260), rear yard (Planning Code Section 134), usable open space (Planning Code Section 135), active uses at the street frontage (Planning Code Section 145.1(c)(3)), ground floor commercial uses (Planning Code Section 145.4) and off-street freight loading (Planning Code Section 152) would not result in a specific, adverse impact to public health and safety or the physical environment, or on any real property that is listed in the California Register of Historical Resources.*

- C. The waiver would be contrary to state or federal law.

*The requested waivers from the development standards for height (Planning Code Section 260), rear yard (Planning Code Section 134), usable open space (Planning Code Section 135), active uses at the street frontage (Planning Code Section 145.1(c)(3)), ground floor commercial uses (Planning Code Section 145.4) and off-street freight loading (Planning Code Section 152) would not be contrary to state or federal law.*

The Department has determined that the project meets all the objective standards of the Planning Code and has completed design review of the project. The project has been approved in accordance with the provisions of SB-35, as recorded in Building Permit Application No. 202211045959.



## NOTICE OF PROJECT ELIGIBLE FOR AB-2162 APPROVAL

**Date:** 7/5/2023  
**BPA No.:** 202306059259  
**Planning Record No.** 2023-003263PRJ  
**Project Address:** 1515 SOUTH VAN NESS AVE  
**Zoning:** NCT (MISSION STREET NEIGHBORHOOD COMMERCIAL TRANSIT) District  
Calle 24 Special Use District  
55-X,65-X Height and Bulk District  
**Block/Lot:** 6571 / 008  
**Project Sponsor:** Laura Daza-Garcia  
Mission Economic Development Agency  
2301 Mission Street, Suite 303  
San Francisco, CA 94110  
**Staff Contact:** Gabriela Pantoja- 628-652-7380  
Gabriela.Pantoja@sfgov.org

### Project Description

This proposal is for the lot merger of three lots into an approximately 34,886 square foot development lot, the demolition of a two-story commercial building, and the construction of a nine-story, mixed use building with 168 dwelling units, approximately 5,601 square feet of Child Care (Early Learning Center (ELC)), and approximately 2,545 square feet of Community Serving Non-Profit space.

### AB-2162 Eligibility Checklist

The Planning Department has determined that the project, as proposed, is eligible for approval under Assembly Bill 2162 (California Government Code Sections 65583 and 65650) in conjunction with the State Density Bonus Law (California Government Code Section 65915).

- ☒ **Affordability:** All the proposed residential units must be dedicated as affordable to households at 80% AMI or below for a period of at least 55 years. At least 25% of the total number of units, or 12 units (whichever is greater) must be restricted for residents of Supportive Housing who meet the Target Population. If there are fewer than 12 units in the project, then the entire project must be restricted for residents of Supportive Housing.
- ☒ **Supportive Services:** Supportive Services include, but are not limited to, a combination of subsidized. Permanent housing, intensive case management, medical and mental health care, substance abuse treatment, employment services, and benefits advocacy. For projects with 20 units or fewer, at least 90

square feet of space must be dedicated to supportive services. For projects with more than 20 units at least 3% of the non-residential floor area must be dedicated to supportive services.

- ☒ **Zoning:** The project must be in a District that allows for multifamily (2 or more units) or mixed-use zoning.
- ☒ **Replacement of Existing Units:** If the project demolishes any existing residential unit, then the project must include replacement unit(s) in the Supportive Housing Development in the manner described in CA Govt. Code Section 65915(c)(3).
- ☒ **Amenities:** Each unit, excluding the manager's unit, must have at least a bathroom, refrigerator, stovetop, and sink.
- ☒ **Consistent with Objective Standards:** The project must comply with objective, written development standards and policies which apply to other multifamily developments within the same Zoning District. Such objective standards are those that require no personal or subjective (discretionary) judgement, such as objective dimensional requirements, and as otherwise set forth below.

## Review Timeline

The AB 2162 Application an accompanying site permit for the project at **1515 SOUTH VAN NESS AVE** was accepted on June 5, 2023. Pursuant to Government Code Sections 65583 and 65650, the Planning Department must complete any necessary design review within 30 days of application submittal, not including time spent waiting for applicant response to Planning Department requirements. Provided the application is complete, the Planning Department must complete design review by July 5, 2023. This notice serves only to confirm eligibility for using AB-2162; Planning staff may request additional information, as required, to complete their review. Design review or public oversight must be completed in 60 days for projects with 50 or fewer units and 120 days for projects with more than 50 units. The project sponsor will receive a Notice of Final AB-2162 Approval upon completion of design review. Please note that the Planning Director may decide on a case by case basis, to schedule a design review hearing at the Planning Commission and/or Historic Preservation Commission.

1 [Acquisition of Real Property - 1939 Market Street - Sheet Metal Workers' International  
2 Association, Local Union No. 104 - \$12,000,000]

3 **Resolution approving and authorizing the Director of Property, on behalf of the**  
4 **Mayor's Office of Housing and Community Development, to acquire real property,**  
5 **located at 1939 Market Street from Sheet Metal Workers' International Association,**  
6 **Local Union No. 104, for purchase at \$12,000,000 inclusive of a deposit in the amount**  
7 **of \$500,000; placing the property under the jurisdiction of the Mayor's Office of**  
8 **Housing and Community Development for use in constructing affordable housing for**  
9 **San Franciscans; adopting findings that the conveyance is consistent with the**  
10 **General Plan, and the eight priority policies of Planning Code, Section 101.1;**  
11 **authorizing the Director of Property to execute documents, make certain**  
12 **modifications and take certain actions in furtherance of the purchase agreement and**  
13 **this Resolution, as defined herein, including assuming certain leases, entering into a**  
14 **leaseback with seller, and assuming certain service contracts; and affirming the**  
15 **Planning Department's determination under the California Environmental Quality**  
16 **Act.**

17  
18 WHEREAS, The Mayor's Office of Housing and Community Development  
19 ("MOHCD") is responsible for the funding and development of affordable housing in the City of  
20 and County of San Francisco; and

21 WHEREAS, City desires to acquire certain real property (Assessor's Parcel Block  
22 No. 3501, Lot Nos. 006 and 007) located at 1939 Market Street (the "Property") for purposes  
23 of building affordable housing on the Property; and

24 WHEREAS, Sheet Metal Workers' International Association, Local Union No. 104  
25 (the "Seller") and City, through its MOHCD and Real Estate Division, after consultation with

1 the Office of the City Attorney, have negotiated an Agreement of Purchase and Sale for Real  
2 Estate, a copy of which is on file with the Clerk of the Board of Supervisors in File No. 200042  
3 (the "Purchase Agreement"), for sale of the Property to the City for \$12,000,000, inclusive of a  
4 deposit in the amount of \$500,000 (the "Deposit"); and

5 WHEREAS, MOHCD has evaluated the Property and confirmed that it can utilize the  
6 Property for development of permanently affordable housing; and

7 WHEREAS, The Director of Property determines the Property to be at or below fair  
8 market value; and

9 WHEREAS, The Planning Department, through General Plan Referral letter dated  
10 January 13, 2020, found that the acquisition of the Property is not defined as a project under  
11 California Environmental Quality Act ("CEQA") Guidelines, Sections 15378 and 15060(c)(2),  
12 and is consistent with the General Plan, and the eight priority policies of Planning Code,  
13 Section 101.1, which letter is on file with the Clerk of the Board of Supervisors in File No.  
14 200042, and incorporated herein by this reference; and

15 WHEREAS, There exists certain leases (the "Leases") between the Seller and other  
16 tenants that the City will assume; and

17 WHEREAS, City and Seller have negotiated an Office Lease ("Leaseback") as  
18 attached to the Purchase Agreement, and City and Seller (as future tenant) will enter into the  
19 Leaseback for a period of 24 months upon City's acquisition of the Property; and

20 WHEREAS, There are certain service contracts (the "Service Contracts") that City  
21 may expressly agree to assume related to the operation and security of the Property; and

22 WHEREAS, The Property will be delivered vacant except for the Leases, the  
23 Leaseback, and Service Contracts at close of sale; now, therefore, be it  
24  
25



1           RESOLVED, That MOHCD has legal authority, is willing, and is in a position  
2 financially and otherwise to assume immediate care and maintenance of the Property, and, be  
3 it

4           FUTHER RESOLVED, This Board affirms the CEQA determination and adopts  
5 General Plan Findings, finding that this proposed acquisition is consistent with the General  
6 Plan; and, be it

7           FURTHER RESOLVED, That in accordance with the recommendation of the  
8 Director of MOHCD and the Director of Property, the Board of Supervisors approves the  
9 Purchase Agreement (including the attached Leaseback) in substantially the forms presented  
10 to the Board, and authorizes the Director of Property (or the Director's designee, to be applied  
11 throughout) to accept the deed to the Property from the Seller upon the closing in accordance  
12 with the terms and conditions of the Purchase Agreement, place the Property under the  
13 jurisdiction of MOHCD, and to take any and all actions (including, but not limited to, the  
14 execution and delivery of any and all certificates, assumption of Leases and Services  
15 Contracts, agreements notices, consents, escrow instructions, closing documents and other  
16 instruments or documents, including entering into the Leaseback) as the Director of Property,  
17 after consultation with the Director of MOHCD and the Office of the City Attorney, deems  
18 necessary, or appropriate in order to acquire the Property pursuant to the Purchase  
19 Agreement, or to otherwise effectuate the purpose and intent of this Resolution, such  
20 determination to be conclusively evidenced by the execution and delivery by the Director of  
21 Property of any such documents; and, be it

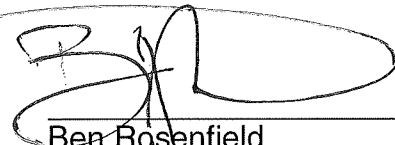
22           FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
23 Property and Director of MOHCD (or the Director's designee), in consultation with the City  
24 Attorney, to enter into any additions, amendments, or other modifications to the Purchase  
25 Agreement and any other documents or instruments necessary in connection therewith, that

1 the Director of Property and Director of MOHCD determines are in the best interests of the  
2 City, do not materially decrease the benefits to the City with respect to the Property, do not  
3 materially increase the obligations or liabilities of the City, and are necessary or advisable to  
4 complete the transaction contemplated in the Purchase Agreement (and Leaseback) and that  
5 effectuate the purpose and intent of this Resolution, such determination to be conclusively  
6 evidenced by the execution and delivery by the Director of Property of any such additions,  
7 amendments, or other modifications; and, be it

8           FURTHER RESOLVED, That within thirty (30) days of the contract being fully  
9 executed by all parties, the MOHCD shall provide the final contract to the Clerk of the Board  
10 for inclusion into the official file.

\$12,000,000 Available

Fund ID: 10581	Fund title: SR OCOH Nov18 PropC GF Advance
Department ID: 232065	Department title: MYR Housing & Community Dev
Project ID: 10035001	Project title: FY20 ERAF - Housing
Authority ID: 20943	Authority title: ERAF MOH AffordableHouseAcqDev
Account ID: 506070	Account title: Programmatic Projects-Budget
Activity ID: 0001	Activity title: FY20 Housing Acquisition & Dev

  
Ben Rosenfield  
Controller

RECOMMENDED:



Dan Adams

Acting Director of the Mayor's Office of Housing and Community Development



Andrico Penick  
Director of Property



City and County of San Francisco  
Tails  
Resolution

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

File Number: 200042

Date Passed: February 11, 2020

Resolution approving and authorizing the Director of Property, on behalf of the Mayor's Office of Housing and Community Development, to acquire real property, located at 1939 Market Street from Sheet Metal Workers' International Association, Local Union No. 104, for purchase at \$12,000,000 inclusive of a deposit in the amount of \$500,000; placing the property under the jurisdiction of the Mayor's Office of Housing and Community Development for use in constructing affordable housing for San Franciscans; adopting findings that the conveyance is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of the purchase agreement and this Resolution, as defined herein, including assuming certain leases, entering into a leaseback with seller, and assuming certain service contracts; and affirming the Planning Department's determination under the California Environmental Quality Act.

February 05, 2020 Budget and Finance Committee - RECOMMENDED

February 11, 2020 Board of Supervisors - ADOPTED

Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

File No. 200042

I hereby certify that the foregoing  
Resolution was ADOPTED on 2/11/2020 by  
the Board of Supervisors of the City and  
County of San Francisco.

Angela Calvillo  
Clerk of the Board

London N. Breed  
Mayor

2/21/20

Date Approved

1 [Acquisition of Real Property - 1515 South Van Ness Avenue - LMC San Francisco I  
2 Holdings LLC - \$19,000,000]

3 **Resolution approving and authorizing the Director of Property, on behalf of the**  
4 **Mayor's Office of Housing and Community Development, to acquire real property**  
5 **located at 1515 South Van Ness Avenue from LMC San Francisco I Holdings LLC, for**  
6 **purchase at \$19,000,000 inclusive of a deposit in the amount of \$500,000; placing the**  
7 **property under the jurisdiction of the Mayor's Office of Housing and Community**  
8 **Development for use in constructing affordable housing for San Franciscans;**  
9 **adopting findings that the conveyance is consistent with the General Plan, and the**  
10 **eight priority policies of Planning Code, Section 101.1; authorizing the Director of**  
11 **Property to execute documents, make certain modifications and take certain actions**  
12 **in furtherance of the purchase agreement and this Resolution, as defined herein;**  
13 **assuming a lease and certain service contracts; and affirming the Planning**  
14 **Department's determination under the California Environmental Quality Act.**

15  
16 WHEREAS, The Mayor's Office of Housing and Community Development  
17 ("MOHCD") is responsible for the funding and development of affordable housing in the  
18 City of and County of San Francisco; and located at 1515 South Van Ness Avenue (the  
19 "Property"), for purposes of building affordable housing on the Property; LMC San  
20 Francisco I Holdings LLC (the "Seller") and City, through its MOHCD and Real Estate  
21 Division, after consultation with the Office of the City Attorney, have negotiated a purchase  
22 and sale agreement, a copy of which is on file with the Clerk of the Board in File No.  
23 190733 (the "Purchase Agreement"), for sale of the Property to the City for \$19,000,000  
24 inclusive of a deposit in the amount of \$500,000 (the "Deposit"); and  
25

1 WHEREAS, MOHCD has evaluated the Property and confirmed that it can utilize  
2 the Property for development of permanently affordable housing; and

3 WHEREAS, The Director of Property determines the Property to be at or below  
4 fair market value; and

5 WHEREAS, MOHCD is concurrently submitting a Resolution to the Board of  
6 Supervisors for authorization to accept a grant from the Metropolitan Transportation  
7 Commission Affordable Housing Jumpstart Grant Program (the "Grant") and expend it for  
8 purchase of the Property (the "Grant Resolution"); and

9 WHEREAS, If the Grant Resolution becomes effective, MOHCD intends to use up  
10 to \$5,000,000 of the Grant, plus \$14,000,000 in other City funds, to pay for the purchase of  
11 the Property; and

12 WHEREAS, The Planning Department, through General Plan Referral letter dated  
13 June 18, 2019, found that the acquisition of the Property is not considered a project under  
14 the California Environmental Quality Act ("CEQA", Pub. Resources Code, Section 21000 et  
15 seq.) pursuant to CEQA Guidelines, Section 15060, and Chapter 31 of the City's  
16 Administrative Code, and is consistent with the General Plan, and the eight priority policies  
17 of Planning Code, Section 101.1, which letter is on file with the Clerk of the Board of  
18 Supervisors in File No. 190733, and incorporated herein by this reference; and

19 WHEREAS, There exists that certain lease (the "Lease") between the Seller and  
20 Gannett Outdoor Company, Inc. of Northern California (the "Lessee") dated June 15, 1993,  
21 that the City may elect to assume; and

22 WHEREAS, There are certain service contracts (the "Service Contracts") that City  
23 may expressly agree to assume related to the operation and security of the Property; and

24 WHEREAS, The Property will be delivered vacant except for the Lease and  
25 Service Contracts at close of sale; now, therefore, be it

1           RESOLVED, That in accordance with the recommendation of the Director of  
2 MOHCD and the Director of Property, the Board of Supervisors approves the Purchase  
3 Agreement in substantially the form presented to the Board, and authorizes the Director of  
4 MOHCD and the Director of Property to take all actions necessary or appropriate to acquire  
5 the Property, along with the Lease and Service Contracts, as set forth in the Purchase  
6 Agreement, including payment of the Deposit ; and, be it

7           FURTHER RESOLVED, That MOHCD has legal authority, is willing, and is in a  
8 position financially and otherwise to assume immediate care and maintenance of the  
9 property, and that the Director of MOHCD, and the Director of the Real Estate Division, are  
10 hereby authorized and urged to accept the deed to the Property from the Seller upon the  
11 closing in accordance with the terms and conditions of the Purchase Agreement, and to  
12 take any and all steps (including, but not limited to, the execution and delivery of any and  
13 all certificates, agreements, notices, consents, escrow instructions, closing documents and  
14 other instruments or documents) as the Director of Property deems necessary or  
15 appropriate in order to acquire the Property pursuant to the Purchase Agreement, or to  
16 otherwise effectuate the purpose and intent of this Resolution, such determination to be  
17 conclusively evidenced by the execution and delivery by the Director of Property of any  
18 such documents; and, be it

19           FURTHER RESOLVED, That in accordance with the recommendation of the  
20 Director of MOHCD and the Director of Property, if the Grant Resolution becomes effective,  
21 the Director of MOHCD and Director of Property is hereby authorized to take all actions, on  
22 behalf of the City, to execute the Purchase Agreement; and, be it


23           FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
24 Property (or his designee) and Director of MOHCD (or her designee), in consultation with  
25 the City Attorney, to enter into any additions, amendments, or other modifications to the

1 Purchase Agreement and any other documents or instruments necessary in connection  
2 therewith, that the Director of Property and Director of MOHCD determines are in the best  
3 interests of the City, do not materially decrease the benefits to the City with respect to the  
4 Property, do not materially increase the obligations or liabilities of the City, and are  
5 necessary or advisable to complete the transaction contemplated in the Purchase  
6 Agreement and that effectuate the purpose and intent of this Resolution, such  
7 determination to be conclusively evidenced by the execution and delivery by the Director of  
8 Property (or his designee) and Director of MOHCD (or her designee) of any such additions,  
9 amendments, or other modifications; and, be it

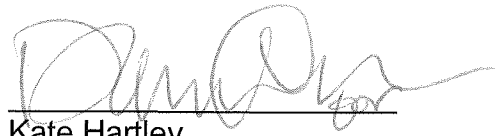
10 FURTHER RESOLVED, That within 30 days of the contract being fully executed  
11 by all parties, the MOHCD shall provide the final contract to the Clerk of the Board for  
12 inclusion into the official file.  
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\$14,000,000 Available  
Fund ID: 10581  
Department ID: 232065  
Project ID: 10034433  
Authority ID: 20808  
Account ID: 566990  
Activity ID: 0005

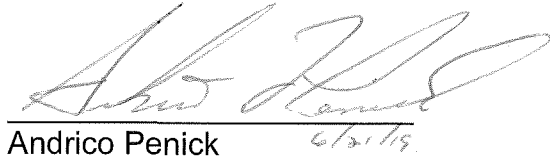
  
Ben Rosenfield  
Controller

1 RECOMMENDED:

2 

3  
4 Kate Hartley

5 Director of the Mayor's Office of Housing and Community Development

6 

7 Andrico Penick

8 Director of Property



# City and County of San Francisco

## Tails Resolution

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

**File Number:** 190733

**Date Passed:** July 16, 2019

Resolution approving and authorizing the Director of Property, on behalf of the Mayor's Office of Housing and Community Development, to acquire real property located at 1515 South Van Ness Avenue from LMC San Francisco I Holdings LLC, for purchase at \$19,000,000 inclusive of a deposit in the amount of \$500,000; placing the property under the jurisdiction of the Mayor's Office of Housing and Community Development for use in constructing affordable housing for San Franciscans; adopting findings that the conveyance is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; authorizing the Director of Property to execute documents, make certain modifications and take certain actions in furtherance of the purchase agreement and this Resolution, as defined herein; assuming a lease and certain service contracts; and affirming the Planning Department's determination under the California Environmental Quality Act.


July 10, 2019 Budget and Finance Sub-Committee - RECOMMENDED

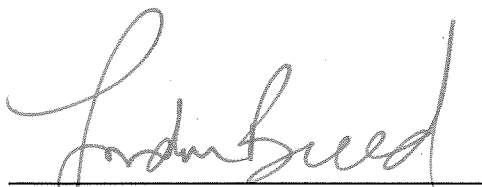
July 16, 2019 Board of Supervisors - ADOPTED


Ayes: 10 - Brown, Fewer, Haney, Mandelman, Peskin, Ronen, Safai, Stefani,  
Walton and Yee  
Excused: 1 - Mar

File No. 190733

I hereby certify that the foregoing  
Resolution was ADOPTED on 7/16/2019 by  
the Board of Supervisors of the City and  
County of San Francisco.

  
Angela Calvillo  
Clerk of the Board

  
London N. Breed  
Mayor

  
Date Approved

**From:** [Conine-Nakano, Susanna \(MYR\)](#)  
**To:** [BOS Legislation, \(BOS\)](#)  
**Cc:** [Paulino, Tom \(MYR\)](#); [Nikolopoulos, Sheila \(MYR\)](#); [Geithman, Kyra \(MYR\)](#); [Gluckstein, Lisa \(MYR\)](#); [Ferrigno, Jennifer \(BOS\)](#)  
**Subject:** Mayor -- Resolution -- Surplus Land  
**Date:** Tuesday, July 11, 2023 4:06:08 PM  
**Attachments:** [Mayor -- Resolution -- Surplus Land.zip](#)

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Hello Clerks,

Attached for introduction to the Board of Supervisors is a Resolution 1) declaring the City's real property located at 1939 Market Street (Block 3501, Lot 006) ("1939 Market Property") and 1515 South Van Ness Avenue ("1515 SVN" Property, and together with the 1939 Market Property, collectively, the "Property") as Exempt Surplus Land under California Government Code Sections 25539.4 and 54221(f)(1)(A); 2) affirming use of the Property by the San Francisco Mayor's Office of Housing and Community Development ("MOHCD") for the development as 100% affordable housing with ancillary commercial space; 3) affirming MOHCD's intent to convey the Property under a long term ground lease with an annual base rent of \$100, annual lease monitoring fee of \$15,000, and restricting the Property for affordable housing and ancillary commercial space; and 4) affirming the Planning Department's Approval of the projects developed on the Property under SB 35 or AB 2162.

Please note that Supervisor Ronen is a co-sponsor of this legislation.

Best,  
Susanna

Susanna Conine-Nakano  
Office of Mayor London N. Breed  
City & County of San Francisco  
1 Dr. Carlton B. Goodlett Place, Room 200  
San Francisco, CA 94102  
415-554-6147