

**From:** [Board of Supervisors, \(BOS\)](#)  
**To:** [BOS-Supervisors](#); [BOS-Legislative Aides](#); [BOS-Administrative Aides](#)  
**Cc:** [Calvillo, Angela \(BOS\)](#); [Somera, Alisa \(BOS\)](#); [Laxamana, Junko \(BOS\)](#); [Ng, Wilson \(BOS\)](#); [Carroll, John \(BOS\)](#)  
**Subject:** FW: June 8th, 2021 Full Board Mtg: Affordable Housing District 11 (Items 22-25)  
**Date:** Tuesday, June 8, 2021 11:58:20 AM

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**From:** Carlo Sciammas <carlo@podersf.org>

**Sent:** Tuesday, June 8, 2021 11:27 AM

**To:** Chan, Connie (BOS) <connie.chan@sfgov.org>; Mandelman, Rafael (BOS) <rafael.mandelman@sfgov.org>; Preston, Dean (BOS) <dean.preston@sfgov.org>; Haney, Matt (BOS) <matt.haney@sfgov.org>; Mar, Gordon (BOS) <gordon.mar@sfgov.org>; Walton, Shamann (BOS) <shamann.walton@sfgov.org>; Melgar, Myrna (BOS) <myrna.melgar@sfgov.org>; Ronen, Hillary <hillary.ronen@sfgov.org>; Stefani, Catherine (BOS) <catherine.stefani@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Safai, Ahsha (BOS) <ahsha.safai@sfgov.org>; BOS-Legislative Aides <bos-legislative\_aides@sfgov.org>

**Cc:** Shaw, Eric (MYR) <eric.shaw@sfgov.org>; Ely, Lydia (MYR) <lydia.ely@sfgov.org>; Amaral, Sara (MYR) <sara.amaral@sfgov.org>; Chan, Amy (MYR) <amy.chan@sfgov.org>; Jessie Fernandez <jessie@podersf.org>; Reina Tello <reina@podersf.org>

**Subject:** Re: June 8th, 2021 Full Board Mtg: Affordable Housing District 11 (Items 22-25)

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Greetings Supervisors,

After waiting for close to four months, Communities United for Health & Justice (CUHJ) received the attention to our community's concerns regarding the unexpected changes to the AMI levels at the Balboa Upper Yard 100% affordable housing project. These changes had resulted in a new precedent for our city where some units in the project targeted AMI levels at *close to market rents*.

We appreciate the important questions and accountability that was raised during the GAO committee hearing on June 3<sup>rd</sup> and for Board Members urging MOHCD Director Eric Shaw to respond to the community's concerns that date as far back as February 25<sup>th</sup>, 2021.

CUHJ's discussion with Director Shaw demonstrated that we still have very far to go as a City in learning how to establish meaningful partnerships between community based organizations, non-profit developers, city agencies, and elected officials, in order to advance developments that are truly affordable and responsive to community needs. Once again, CUHJ would like to be first in line in working with all partners to be able to model how to achieve this important balance.

As a result of our conversation with Director Shaw, we have been told that MOHCD

*resolves* to reconfigure the Balboa Upper Yard project to establish a 90% AMI ceiling for the units at the highest AMIs. Doing so would eliminate the need to provide a 20% discount to the rents that would have corresponded to AMIs at the 109% level because they are so close to current market rents in District 11. It would also allow the project to meaningfully target moderate income residents as opposed to subsidizing the rents of residents earning significantly more than District 11 median incomes. This approach would make for a more stable operating income as rents would not be tied to fluctuating market rates.

Despite our requests, MOHCD *declined* to offer a clear timeline to explore alternatives for substituting a citywide metric for AMIs with neighborhood or district-level AMIs. Because of the extreme wealth inequality in San Francisco, citywide AMIs often skew affordability levels out of reach of our lower income neighbors in working class districts such as District 11, resulting in close to market rents at the Balboa Upper Yard project.

All of us want to see this project succeed and regret being forced into a position of having to accept an imperfect project because our city agencies, nonprofit developers, and district supervisor were unwilling to meaningfully address legitimate concerns raised by community based organizations.

We are hopeful that this has been an important learning experience and that it opens the door for stronger and more meaningful collaboration moving forward.

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*Charlie Carlo Sciammas, Lead Community Organizer*  
**iPODER!** (People Organizing to Demand Environmental & Economic Rights)  
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On Mon, Jun 7, 2021 at 7:01 AM Jessie Fernandez <[jessie@podersf.org](mailto:jessie@podersf.org)> wrote:

Greetings Supervisors,

Over the past 10 years our communities have initiated, championed, and stewarded community engagement around the Upper Yard project. I can say unequivocally that there is great support for what will certainly be a beautiful community asset. In fact we have worked tirelessly to make sure of that.

It is with great eagerness and apprehension that we share our concerns. The current iteration of the Upper Yard is a significant departure from the vision that has been crafted by our community and reaffirmed by the developer, the City, and our Supervisor. In particular:

- The upper level AMI thresholds are out of sync with actual local neighborhood incomes and demographics.
- The current AMIs perpetuate existing racial disparities.
- The increased AMIs deviate from standard MOHCD practice of a 60% AMI ceiling, and in rare cases as high as 80% AMI which is reflected in 100% affordable housing developments across the city where MOHCD is a partner.

In District 11, we are actively providing a high reaching and wide range of AMIs that can serve moderate income residents through existing market rate development projects currently under construction, at 65 Ocean and 915 Cayuga, so it is imperative that we protect deep affordability at the only two 100% affordable housing projects in D11 in years.

In recent years, we have experienced a severe disconnect in dialogue between community stakeholders, the development team and our City partners. Indeed there is a distinction between being updated about a policy decision that was held strictly within the discretion of the City and development team, as opposed to genuine work to uphold the original community vision and meet a legitimate obligation to that vision as uplifted by community efforts that MOHCD legitimated in its own RFQ.

As such, we see a path forward to achieve a meaningful solution and would like to thank Supervisor Preston and Supervisor Chan for pointing us in this direction during yesterday's hearing. We propose the following amendments:

- First, the Balboa Upper Yard project must utilize District 11-based Area Median Incomes as opposed to city-wide Area Median Incomes in order to reassure all stakeholders that the units are indeed being income-targeted to the needs of residents in District 11.
- Second, instead of providing a 20% discount to the rents that correspond to the highest AMI levels because they are so close to market rate, the Balboa Upper Yard project must adjust the AMIs downward. This will allow the project to meaningfully target moderate income residents as opposed to subsidizing the rents of residents earning significantly more than District 11 Median Incomes. This

approach would also make for a more stable operating income as rents would not be tied to fluctuating market rates.

- Third, we see an urgent need to challenge the assumption that critical policy decisions impacting housing and affordability can be made in a vacuum, given that low income communities are often the first to bear the consequences of these decisions, and yet have no seat at the table. Projects like the the Balboa Upper Yard would not even exist with the visioning, organizing, advocacy, and negotiation of community stakeholders like PODER, and it should be standard practice to involve these stakeholders in ANY significant deviation from number of units, unit mix, unit sizes, and incomes served from the original agreements.

Please see the attached letter sent to MOHCD on February 24th, 2021 outlining our community's opposition to the highest AMI thresholds at the project.

Please consider these submissions for your discussion during tomorrow's meeting.

Best regards,

--

Jessie Fernandez | Program Coordinator

[iPODER!](#) (People Organizing to Demand Environmental & Economic Rights)

474 Valencia Street, #125, SF, CA 94103

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**To:** [BOS-Supervisors](#); [BOS-Legislative Aides](#); [BOS-Administrative Aides](#)  
**Cc:** [Calvillo, Angela \(BOS\)](#); [Somera, Alisa \(BOS\)](#); [Ng, Wilson \(BOS\)](#); [Laxamana, Junko \(BOS\)](#); [Carroll, John \(BOS\)](#)  
**Subject:** FW: 6/8/21 Full Board Mtg: Affordable Housing District 11 (Items 22-25)  
**Date:** Monday, June 7, 2021 3:37:33 PM  
**Attachments:** [CUHJ Letter D11 Affordable Housing.pdf](#)

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**From:** Jessie Fernandez <jessie@podersf.org>  
**Sent:** Monday, June 7, 2021 7:00 AM  
**To:** Chan, Connie (BOS) <connie.chan@sfgov.org>; Haney, Matt (BOS) <matt.haney@sfgov.org>; Mandelman, Rafael (BOS) <rafael.mandelman@sfgov.org>; Mar, Gordon (BOS) <gordon.mar@sfgov.org>; Melgar, Myrna (BOS) <myrna.melgar@sfgov.org>; Peskin, Aaron (BOS) <aaron.peskin@sfgov.org>; Preston, Dean (BOS) <dean.preston@sfgov.org>; Ronen, Hillary <hillary.ronen@sfgov.org>; Stefani, Catherine (BOS) <catherine.stefani@sfgov.org>; Walton, Shamann (BOS) <shamann.walton@sfgov.org>; Safai, Ahsha (BOS) <ahsha.safai@sfgov.org>; BOS-Legislative Aides <bos-legislative\_aides@sfgov.org>  
**Cc:** Charlie Sciammas <charlie@podersf.org>; Reina Tello <reina@podersf.org>  
**Subject:** 6/8/21 Full Board Mtg: Affordable Housing District 11 (Items 22-25)

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Best regards,

--

Jessie Fernandez | Program Coordinator

[iPODER!](#) (People Organizing to Demand Environmental & Economic Rights)

474 Valencia Street, #125, SF, CA 94103



February 24th, 2021

Eric Shaw, Director  
Mayor's Office of Housing and Community Development  
1 South Van Ness Avenue, 5th floor  
San Francisco, CA 94103

cc: Deputy Director, Racial Equity Lead, Maria Benjamin  
Honorable Mayor London Breed  
Ahsha Safai, District 11 Supervisor

RE: District 11 Affordable Housing Developments

Dear Director Shaw,

Communities United for Health and Justice (CUHJ) is a coalition of organizations deeply rooted in District 11 together representing a base of Latinx, Filipinx, Chinese, and African American residents. After having invested close to a decade in advocating and championing the Balboa Park Upper Yard and Valente Marini Perata affordable housing projects, we are writing to express our concerns and deep disappointment regarding the proposed affordability levels in the latest proposals for these projects.

The reported configuration for the Balboa Park Upper Yard development is a departure from what Mission Housing Development Corporation (MHDC) previously reported to the community during the public community design meetings that were concluded in late 2018. Similarly, the affordability levels most recently proposed by BRIDGE Housing for the Valente Marini Perata project differ significantly from the project originally submitted to MOHCD in response to a Request for Proposals for pre-development and development financing that our community organizations enthusiastically supported. Both of these developments have since increased rents for the most expensive units two-fold by increasing the upper AMIs to 105%. We strongly oppose this increase and urge you to revisit the affordability levels for the following reasons:



- 1. The current AMIs perpetuate existing racial disparities.** Based on an analysis of data provided by MOHCD, only 15% of African Americans residing in District 11 earn \$94,000 a year, the incomes targeted at the highest AMIs for the two projects. Only 35% of Chinese residents in District 11 earn \$94,000 a year; only 26% of Latinx residents in District 11 earn \$94,000 a year; while close to half of white residents earn \$94,000 a year. This data suggests an alarming disparity by race in potential for qualification and tenancy at these two developments. Although District 11 has the lowest percentage of white residents in the city, nearly half of white residents in District 11 earn incomes that would qualify for tenancy in the over 50 units currently set between 80-105% MOHCD AMI levels.
- 2. The 60% and 80% TCAC AMIs are so high they are basically market rate.** According to a recent article in SFist, “Renters can find better deals in the open market right now”. *SFist. Feb 10, 2021*. Rents at the 80% TCAC AMI level would be \$3,026 a month which is comparable to listings currently on Craigslist in the Excelsior and District 11.
- 3. The AMI thresholds are out of sync with actual local neighborhood incomes and demographics.** The AMIs do not reflect the reality of incomes in District 11 neighborhoods because they are much lower than citywide averages that are inflated due to extreme wealth inequality in our city. The 2012-2016 American Community Survey<sup>1</sup> profile of District 11 demonstrates that this district has the highest percentage of family households and foreign born residents in all of San Francisco. Conversely, District 11 maintains both the lowest per capita incomes and lowest percentage of single households across the city, demonstrating an acute need for deeply affordable family sized housing. The increase in higher AMI units, in the fallout of the global pandemic and economic downturn, will certainly diminish access at the only two 100% affordable housing developments in our communities in over 20 years.
- 4. The proposed AMIs go against the community priorities that were uplifted during community planning efforts that MOHCD legitimated in its own Request for Qualifications.** The 2015 CUHJ report, People Powered Community Planning<sup>2</sup> was referenced by the Mayor's Office of Housing and Community Development for both your Request for Proposals (RFP) and Request for Qualifications (RFQ)<sup>3</sup>, and is intended to

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<sup>1</sup>[https://default.sfplanning.org/publications\\_reports/SF\\_NGBD\\_SocioEconomic\\_Profiles/2012-2016\\_ACS\\_Profile\\_SupeDistricts\\_Final.pdf](https://default.sfplanning.org/publications_reports/SF_NGBD_SocioEconomic_Profiles/2012-2016_ACS_Profile_SupeDistricts_Final.pdf)

<sup>2</sup> <https://www.podersf.org/wp-content/uploads/2015/09/CUHJ-Full-English-Report-English.pdf>

<sup>3</sup><https://sfmohcd.org/sites/default/files/Documents/MOH/RFQs/Upper%20Yard%20RFQ%202016/Upper%20Yard%20RFQ%20-%20Final.pdf>

serve as a guiding post for the Upper Yard development. The Housing & Affordability section of the report outlines that: 1) developers should provide 100% affordable units, with a balanced mix of income targeting of 30% area median income, 40% area median income, and 50% area median income; 2) Ensure that income targeting for affordable housing is affordable to target populations and unit mix meets the needs of target populations identified in neighborhood needs assessment; and 3) Developer will provide a majority of multiple bedroom units, ensuring that at least 70% of units include two or three bedrooms, and at least 30% of units include at least 3 bedrooms.

5. **The proposed AMIs go against what was reported publicly to the community during the community planning meetings.** In 2018, MHDC convened four large-scale community design meetings attended by diverse, multilingual neighborhood residents and engaged participants in helping to define the AMIs for the project. At those meetings, residents overwhelmingly affirmed the need for the deepest affordability, and MHDC affirmed its commitment to meet this goal.
  
6. **District 11 already has the capability of providing a wide range of AMIs through existing development projects in the pipeline.** The 65 Ocean project, currently under construction, which is one of the city's only HOME-SF developments, provides below market rate units at AMIs up to 120%. In addition, the 915 Cayuga project, currently under construction, also provides BMR units up to 120% AMI. Given that current development is already providing AMIs at these higher levels, the City must protect the deepest affordability and lowest AMIs at the 100% affordable projects because they are the only place where deeper affordability is being achieved.
  
7. **The increased AMIs deviate from standard MOHCD practice.** As stated in publicly released memos, MOHCD's standard practice is to not exceed 80% SF AMI in 100% affordable projects. The reconfigured affordability levels at the Upper Yard and the Valente Marini Perata Projects will make District 11 the only district in the entire city where 100% affordable projects go as high as 105% AMI.

We call upon you to work with MHDC and BRIDGE to ensure that the AMIs reflect prior commitments and uphold our city's commitment to racial equity.


Indeed the fallout of this pandemic and economic downturn has exacerbated a housing crisis that hits low-income, immigrant, communities of color first and worse. In the face of rampant unemployment, loss of income, and food insecurity, now more than ever we need affordable housing to truly serve the needs in our communities. As the City navigates and recovers from the COVID-19 pandemic, ensuring affordable housing is accessible and equitable is a key


component to ensuring that the City's most vulnerable residents, workforce, and families can sustainably live in San Francisco.


Thank you for your commitment to rigorous community engagement. We look forward to hearing from you and working to make the Upper Yard and the Valente Marini Perata projects truly community serving assets in a moment that demands boldness in service.

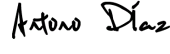
Sincerely,

DocuSigned by:  
  
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Terrence Valen  
Executive Director,  
Filipino Community Center (FCC)

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Neva Walker  
Executive Director,  
Coleman Advocates for Children and Youth

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Cynthia Choi  
Co-Executive Director,  
Chinese for Affirmative Action (CAA)

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Vincent Pan  
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21B50F2AF0624BB...  
Antonio Diaz  
Organizational Director,  
People Organizing to Demand Environmental  
and Economic Rights (¡PODER!)

*Jessie Fernandez*  
Jessie Fernandez  
Program Manager  
Communities United for Health and Justice  
(CUHJ)