

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



London N. Breed
Mayor

Eric D. Shaw
Director

March 11, 2022

To: Mayor London Breed; Board of Supervisors
From: Eric Shaw, Director
CC: Clerk of the Board of Supervisors

Re: Q3 & Q4 CY21 Reporting on Prioritization of 100% Affordable Housing Projects
(File #180547)

Enclosed please find the quarterly report on MOHCD's 100% Affordable Housing Projects, as required by City Ordinance and as part of OEWD's Executive Directive 17-02, covering Q3 & Q4 CY-21, the period from July 1 through December 21, 2021.

Progress has continued in the entitlement, permitting and construction of a number of key affordable housing developments. Of a total active pipeline of 4,610 units of 100% affordable housing, approximately 1,233 units of 100% affordable multifamily rental units are under construction, with another 2,647 units in predevelopment (pre-entitlement or permitting). Of the projects currently in construction, 730 are completing work and/or actively moving in residents. Four properties comprising 367 units achieved final completion during this period.

COVID impacts to active construction are continuing to be successfully mitigated, while the pandemic and public health requirements are changing. Challenges in the permitting and approvals process continue but have also been largely mitigated with remote work using EPR where feasible. Ongoing challenges are seen in the supply chain resulting in delays to construction, changes to materials and cost impacts, as a result.

Exciting progress is being made in the kick-off of the MOHCD Multi-Site projects (9 key infill sites separated into two cohorts) as they begin concept design, community engagement, and prepare to submit for Site Permit in the final two quarters of 2022. Other significant progress in the availability of State financing for certain projects that have been waiting to commence construction due to lack of financing is anticipated to result in 4 to 5 construction starts in Q2 – Q3 CY22.

Some key milestones and achievements made during these quarters (July 1 – December 31 2021) include:

- **Kick-off** of the MOHCD Multi-Site projects for 9 key infill development sites with predevelopment funding approved for initial 5 sites (Cohort 1)

- **1990 Folsom** – Received its Certificate of Completion (12/21/21)
- **735 Davis** – Celebrated its Grand Opening
- **3001 24th Street – Casa De La Mission** – Celebrated its Grand Opening
- **490 South Van Ness – Avanza 490** – Celebrated its Grand Opening
- **Sunnydale Block 6** – Received its Temporary Certificate of Completion (11/19/21)

Pricing challenges both in Hard Cost (construction) and Debt/Equity continue as a result of changing market conditions.

An atmospheric river that inundated the Bay Area in November caused severe damage to a number of projects, resulting in delays and cost impacts, which are still being mitigated.

Progress has been made in the area of municipal power application, design and delivery with an agreement negotiated between PUC and PGE, which is hoped to provide better predictability in those areas, and ultimately reduce timelines and cost impacts, but the implementation and ongoing partnerships with the utilities, our sponsors, contractors and design engineers, will be critical to realizing these improvements.

Overall, MOHCD is pleased to report that despite the unprecedented events of this current time, affordable housing production, at all stages of development, continues to move forward with the collaboration and commitment of our staff, City and private partners.

EXHIBITS

MOHCD Affordable Housing Quarterly Report Q3 Q4 CY21

Q3 - Q4 CY 21

July 1 - December 31, 2021

HOUSING DELIVERY REPORT - 100% Affordable, New Construction (non-DA)

Project Name	Street Number	Street Name	Number of Units	Supv. District	Housing Tenure (type)	Status	Start (Est. or Actual)	Complete (Est. or Actual)	Issuance of Temporary Certificate of Occupancy (TCO)	Milestones / Deliverables This Quarter	Risks, Challenges and Major Activity	Milestones / Deliverables for Next Quarter
1990 Folsom	1990	Folsom	143	9	Rental	CONSTRUCTION COMPLETING	3/4/2019	8/6/2021	-	1). Issuance of Certificate of Completion 12/21/21 2). Remaining Addenda Approved and Work Completed for Inspection	1). PGE Energization due to design conflict & revision 2). SFMTA SIP sign-off resolution to re-design requirements	1). Close out project, remaining retention release 2). Final sign-off on SIP
735 Davis Senior	735	Davis	52	3	Rental	CONSTRUCTION COMPLETING	6/17/2019	7/30/2021	12/23/2020	1). Issuance of Certificate of Final Completion 7/30/21 2). Financing conversion and close-out	1). DPH Environmental Deed Restriction required	1). Complete remaining close-out and conversion 2). Final recordation of Environmental Deed Restriction
88 Broadway Family	88	Broadway	125	3	Rental	CONSTRUCTION COMPLETING	6/17/2019	5/30/2021	3/31/2021	1). Issuance of Certificate of Final Completion 2). Financing conversion and close-out 3). Complete Mid-Block passage improvements 4). Complete Childcare tenant improvements 5). Commenced operations of Childcare "Tung Lok"	1). DPH Environmental Deed Restriction required	1). Complete remaining close-out and conversion
490 South Van Ness	490	South Van Ness	81	9	Rental	CONSTRUCTION COMPLETING	8/1/2018	5/1/2021	2/1/2021	1). Financing Conversion 2). Complete Lease-Up 3). Close-out project	-	1). Financing conversion complete
2060 Folsom	2060	Folsom	127	9	Rental	CONSTRUCTION COMPLETING	1/2/2019	7/9/2021	-	1). Financing Conversion 2). Complete Lease-Up 3). Close-out project	-	1). Complete remaining close-out and conversion
1950 Mission	1950	Mission	157	9	Rental	CONSTRUCTION COMPLETING	12/7/2018	5/25/2021	10/20/2020	1). Financing Conversion 2). Complete Lease-Up 3). Close-out project	-	1). Financing conversion complete
3001 24th Street	3001	24th Street	45	9	Rental	CONSTRUCTION COMPLETING	1/6/2020	12/16/2021	6/30/2021	1). Street Improvements Completed 2). Certificate of Completion 3). Project Close Out 4). Final Move-Ins	1). PGE Energization and SFMTA Street Closure 2). Approval Street Improvement Permit Final Revisions by DPW BSM and SFMTA	-
1064-68 Mission	1064-68	Mission	254	6	Rental	CONSTRUCTION	2/6/2020	6/3/2022	-	1). Water connections 2). Solar thermal finalize permit and commence 3). Structural Connections 4). Clinic and CHEF spaces progressing	1). Utility connections 2). Exterior alignment of modules 3). Supply-chain issues requiring delays or changes to materials 4). COVID impacts 5). Damage and water intrusion from significant rain events	1). Dry out rain damaged areas 2). Determine rain delays and impacts 3). Request extensions 4). Complete joint trench 5). Progress on Clinic and CHEF spaces 6). Public art production
500 Turk Street / 555 Larkin	500	Turk	108	6	Rental	CONSTRUCTION	2/12/2020	3/7/2022	-	1). Developer to prepare marketing and outreach of commercial space 2). Residential lease up activities commencing in Aug/Sept with applications due Oct 3). Commercial space LOLs entered into	1). Approval of Street Improvement Permit (SIP) 2). Perm Power Connection Delays due to change in PGE Connection point 3). SFMTA review trenching and street design issues	1). PGE Revised utility connection approved and completed 2). Approval of Addenda 3). SFMTA Approvals for SIP, Streetlight and Parking

Q3 - Q4 CY 21

July 1 - December 31, 2021

HOUSING DELIVERY REPORT - 100% Affordable, New Construction (non-DA)

Project Name	Street Number	Street Name	Number of Units	Supv. District	Housing Tenure (type)	Status	Start (Est. or Actual)	Complete (Est. or Actual)	Issuance of Temporary Certificate of Occupancy (TCO)	Milestones / Deliverables This Quarter	Risks, Challenges and Major Activity	Milestones / Deliverables for Next Quarter
Treasure Island C3.2 - Maceo May	401	Avenue of the Palms	104	6	Rental	CONSTRUCTION	8/10/2020	1/15/2023	-	1). Perm Power design approval 2). TIDG Pump Station Commissioning in preparation for connection 3). Factory Built Housing Module setting commences 4). Damage and water intrusion from significant rain and wind events requiring demolition, dry-out, testing, inspections and repairs	1). Infrastructure coordination, including streets, sidewalks, storm sewer, utility trench and connection 2). Mapping (incl. Street Addressing and Flood map) required for TCO - TIDA managing with DPW and sponsor 3). Rain events with damages, delays and coordination of repairs/inspections	1). Ongoing demolition of rain damaged areas, repairs, testing and inspection 2). Utility connections - Water, stormdrain and sewer 3). Complete exterior skin installation 4). Coordination of TI site logistics with adjacent project C3.1 during construction
681 Florida	681	Florida	130	9	Rental	CONSTRUCTION	10/19/2020	9/1/2022	-	1). Joint trench, vaults and conduits installed 2). Complete draw down of AHP funds 3). Topping out achieved 4). Public art Muralists entered into contract - Community meetings commenced 5). Tower crane dismantled	1). Approval of Street Improvement Permit (SIP) 2). Receipt of transformers threatened by supply chain issues	1). Approval of remaining Addenda 2). Mural design final approvals 3). Lease-up and Marketing coordination with MOHCD commences 4). Finalize commercial lease agreements and commence TI design approval
4840 Mission	4840	Mission	137	11	Rental	CONSTRUCTION	6/24/2021	6/27/2023	-	1). Completion of Demo and Abatement 2). Issue draft marketing and lease-up plan to MOHCD 3). Approval of Addenda 2, 5, 7, 8 & 9 4). SFMTA Approval of STP and Logistics plan received 5). PGE / PUC Agreement regarding Perm Power service design and delivery	1). Acceptance of PGE/PUC Temp and Perm Power Design & Ordering of Transformers & Switchgear 2). Coordination with residential neighbors	1). Approval of Addenda 6, 10 & 11 2). Application for AHP 3). Procure transformer and switchgear "at-risk"
Balboa Park - Upper Yard and BART Plaza	2340	San Jose Avenue	130	11	Rental	CONSTRUCTION	5/1/2021	10/1/2022	-	1). Approval of ADD 2 2). Commencement of micropiles and shoring 3). PGE / PUC Agreement regarding Perm Power service design and delivery	1). Acceptance of PGE/PUC Temp and Perm Power Design & Ordering of Transformers & Switchgear "at risk" 2). Impacts from rain delays in Sept. Oct	1). Commercial space development plan finalize 2). Approvals of SIP Permit held pending resolution of bike rack location
921 Howard Street	921	Howard	203	6	Rental	CONSTRUCTION	7/10/2021	11/20/2022	-	1). Commencement of Construction 7/10/21	1). Approval of PGE Temp and Perm power design - project is proceeding "at risk" 2). Sept Oct rain events impact to schedule unclear	1). ADD 2 - MEP approval required to avoid delays
Sunnydale - Block 6 and Infrastructure Phase 1A-1 - 1A-2	242	Hahn	167	10	Rental	CONSTRUCTION	OEWD providing progress reporting					
Sunnydale - Block 3	SE Corner	Sunnydale and Hahn	168	10	Rental	Permitting	OEWD providing progress reporting					
Potrero Block B			157	9	Rental	Permitting	OEWD providing progress reporting					
Hunters View Blocks 14 & 17	1151	Fairfax	118	10	Rental	Permitting	OEWD providing progress reporting					
78 Haight - Central Freeway Parcel U	72-78	Haight Street	63	5	Rental	Permitting	3/15/2022	7/14/2023	-	1). Issue Request for Bids 2). Commence public art procurement 3). PGE / PUC Agreement regarding Perm Power service design and delivery	1). State funding award (required to start construction) 2). Resolution of Temp and Perm power design and service provision (PGE / PUC) 3). Shoring design and agreement with neighbor	1). Approval of gap financing

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Shirley Chisholm Village - Educator Housing	1351	42nd Avenue	134	4	Rental	Permitting	8/1/2022	12/1/2023	-	1). Approval of ADD 1 and 2 2). Approval of Final Map 3). PGE / PUC Agreement regarding Perm Power service design and delivery 4). Issuance of Request for Bids 5). Notice of Special Restrictions (NSR) recorded 7/11/21 6). Approval of Tentative Air Rights Parcel 6/15/21 7). Final map submitted 12/28/21	1). State funding award (required to start construction) 2). Shoring design and agreement with neighbor	1). Bids received and vetted 2). Approval of Addenda 1 (Superstructure) and 2 (Arch) 3). Submission of Addenda 5 (fire sprinkler), 6 (Tower crane), 7 (fire alarm and 2-way comm)
Treasure Island C3.1		7 Seas at 6th Street	135	6	Rental	Permitting	5/7/2022	12/1/2023	-	1). Submission of ADD 1 2). Submission of State Accelerator fund application 3). Coordination of site logistics with adjacent projects including Maceo May and 3-4 others	1). Approval of Site Permit required for Financing applications 2). Coordination with TIDG, TI Task Force, and TIDA to complete infrastructure design, approvals with Vertical design and schedule 3). Coordination with C3.2 Maceo May for logistics, access and construction parking	1). Coordination with TIDG, TIDA and C3.2 Maceo May regarding logistics, parking during commencement of Construction 2). Approval of gap financing 3). Award of State accelerator funds for start of construction Q2 22
266 4th Street	266	4th	70	6	Rental	Permitting	HOLD	HOLD	-	1). PGE / PUC Agreement regarding Perm Power service design and delivery	1). State funding award (required to start construction) 2). Agreement regarding design with SFMTA (MUNI Substation)	1). Agreement regarding design with SFMTA (MUNI Substation)
730 Stanyan	730	Stanyan	160	5	Rental	Permitting	6/1/2023	12/1/2024	-	1). Re-design for 7-8 story building (increase unit count from 120 to 160) 2). Submitted revised Site Permit 3). Continue community engagement with new design	1). Resolution of Temp and Perm power design and service provision (PGE / PUC) 2). Planning approval of 7-8 story design revision 3). Exemption for installation of bulb out at Stanyan and Waller	1). Response to Planning comments on revised 8 story design issued 2). 100% Design Development drawings issued 3). Cost estimate based upon 100% DD provided
180 Jones	180	Jones Street	72	6	Rental	Permitting	5/1/2022	12/22/2023	-	1). Submission of ADD 2 and 3 2). Application for \$7.4MM IIG 3). PGE / PUC Agreement regarding Perm Power service design and delivery	1). State funding award (required to start construction) 2). Resolution of Temp and Perm power design and service provision (PGE / PUC)	1). Approval of gap financing 2). Award of State accelerator funds for start of construction Q2 22
600 7th (801 Brannan)	600	7th St	221	6	Rental	Permitting	7/15/2022	1/30/2024	-	1). Approval of Site Permit 11/22/21 2). Approval of modified SB35 Application increasing unit count 3). PGE / PUC Agreement regarding Perm Power service design and delivery 4). Allocation from CTCAC of 4% tax credits - accelerates construction start to Q1-2 22	1). State funding award (required to start construction) 2). Resolution of Temp and Perm power design and service provision (PGE / PUC) 3). Submission and approval of Add 1 and 2 required to start construction in Q2 22	1). Prepare to close and commence construction Q2 22 2). Approval of Add 1 (Superstructure), Add 2 (Arch) 3). Response to IIG application
The Kelsey	240	Van Ness	112	6	Rental	Permitting	9/1/2022	12/1/2024	-	1). Approval of Site Permit 2). Coordination with BUF on possible tree conflict 3). PGE / PUC Agreement regarding Perm Power service design and delivery 4). HCD AHSC funding application pending	1). State funding award (required to start construction) 2). Resolution of Temp and Perm power design and service provision (PGE / PUC)	1). Approval of MOHCD gap financing 2). Award of HCD AHSC funding

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4200 Geary Street	4200	Geary	98	1	Rental	Permitting	8/15/2022	12/1/2022	-	1). SB 35 approval received 2). Notice of Special Restrictions recorded 3). SFDPH Approval of Site Mitigation Plan	1). Finalizing and coordination of Temp and Perm power design and service provision (PGE / PUC) 2). Coordination of bulb-out with SFMTA	1). Award of State HCD MHP financing 2). Approval of demo permit 3). Submit CDLAC/TCAC application
2550 Irving	2550	Irving	177	4	Rental	Pre-Entitlement	3/1/2023	9/1/2024	-	1). PRJ Project Application submitted 12/21 2). Community design engagement commenced	1). State funding award (required to start construction) 2). Resolution of Temp and Perm power design and service provision (PGE / PUC)	1). Submission of Site Permit application 2). Submission of PGE/PUC service design application 3). Submission of Demo permit application
Balboa Reservoir - Building E		Lee Avenue	126	7	Rental	Permitting	6/1/2023	12/1/2024	-	1). Pending application HCD AHSC 2). Approval of MOHCD Predevelopment loan		1). Site Permit application 2). Award of HCD AHSC funding
88 Bluxome	88	Bluxome	107	6	Rental	Pre-Entitlement	5/1/2024	5/1/2026	-	1). Predevelopment Loan Approval 12/3/21 2). Architect selected	1) Coordination of design and construction with Rec and Park space and subterranean parking and infrastructure with master developer	1). Schematic design development 2). PRJ Project application submission
772 Pacific	772	Pacific	86	3	Rental	Pre-Entitlement	4/24/2024	1/1/2026	-	1). Commence pre-development funding applications 2). Commence analysis of Enhanced Design Build 3). Approval predevelopment loan 10/15/21	1). Coordination of replacement of existing restaurant	1). Community engagement 2). Procurement of GC
1515 South Van Ness	1515	South Van Ness	122	9	Rental	Pre-Entitlement	3/1/2024	3/1/2026	-	1). Commence pre-development funding applications		
160 Freelon	160	Freelon	72	6	Rental	Pre-Entitlement	3/1/2024	3/1/2026	-	1). Commence pre-development funding applications		
1939 Market	1939	Market	134	8	Rental	Pre-Entitlement	3/1/2024	3/1/2026	-	1). Commence pre-development funding applications		
725 Harrison	725	Harrison	123	6	Rental	Pre-Entitlement	3/1/2024	3/1/2026	-	1). Commence pre-development funding applications		
71 Boardman	71	Boardman	100	6	Rental	Pre-Entitlement	3/1/2024	3/1/2026	-	1). Commence pre-development funding applications		
967 Mission	967	Mission	92	6	Rental	Pre-Entitlement	3/1/2024	3/1/2026	-	1). Commence pre-development funding applications		

TOTAL UNITS **4,610**
 Under Construction **1,233**
 Complete / Leasing up this Quarter **730**
 Predevelopment (pre-entitlement or permitting) **2,647**