

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



London N. Breed
Mayor

Eric D. Shaw
Director

June 28, 2021

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

Re: Q1 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 Q1 CY-21, the period from January 1 to March 30, 2021. Progress has continued in the entitlement, permitting and construction of a number of key affordable housing developments. **At this time, approximately 1,493 100% affordable multifamily rental units are under construction under MOHCD sponsorship, with another 1,860 units in active predevelopment (pre-entitlement or permitting). Of the projects currently in construction, four (4) are completing work within the next three months. One project comprising 125 units received its Temporary Certificate of Occupancy this Quarter. This represents 3,591 units in active new affordable housing production at this time.**

Active construction projects continue to face challenges posed by the COVID-19 pandemic, but there are well-established COVID Safety protocols that all projects are adhering to which have become incorporated into standard construction site practices. COVID impacts to the permitting and approvals process are being addressed through continuing improvements to Electronic Plan Review (EPR) which has become a critical tool. The full budget and schedule impacts of COVID remain unclear, but they are expected to evolve as the pandemic risks shift during the ramp up of the nationwide vaccine program.

Some key milestones and achievements made this quarter (January through March 2021) include:

- **88 Broadway** – Received its Temporary Certificate of Occupancy
- **735 Davis** – Commenced resident move-ins
- **1950 Mission** – Commenced resident move-ins
- **490 South Van Ness Avenue** – Completed repairs due to a flood late in construction commenced lease-up and move-in of residents
- **921 Howard** – Demolition Permit approved in anticipation of Construction start June 2021

Pricing challenges both in Hard Cost (construction) and Debt/Equity continue as a result of changing market conditions. These are anticipated to stabilize in Q2 2021 as COVID impacts lessen, production and distribution of materials is improved, and financial markets strengthen.

Significant challenges are ongoing in the area of municipal power application, design and delivery.

For projects anticipating starting construction in 3rd and 4th Quarter 2021, there is limited availability of state and federal funds that are now being allocated on a competitive basis. Because a project's overall development cost factors into competitiveness, San Francisco's projects will be disadvantaged as they are the highest cost projects that are developed in the State.

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 Q1 CY21

MOHCD Affordable Housing Quarterly Report

Q1 CY21

January 1 -March 31, 2021

HOUSING DELIVERY REPORT - 100% Affordable, New Construction

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	3/4/2019	7/30/2021	-	1). TCO Inspections, Punch-listing underway 2). Lease-up applications	1). PGE Energization due to design conflict & revision 2). SFMTA SIP sign-off resolution to re-design requirements	1). Temporary Certificate of Occupancy (TCO) Issuance 2). Exterior and Landscape Finish 3). LEED Certification 4). Final inspections, Completion of Construction and Lease-up
735 Davis Senior	735	Davis	52	3	Rental	CONSTRUCTION	6/17/2019	5/30/2021	11/23/2020	1). Residents Moving-In (2/26/21 commenced)	1). DPH Environmental Deed Restriction required	1). LOSP Move-ins commence 2). Lease-up complete, all units occupied 3). Financing conversion and close-out
88 Broadway Family	88	Broadway	125	3	Rental	CONSTRUCTION	6/17/2019	5/30/2021	3/24/21	1). Issuance of TCO - 3/24/21 2). Switchgear replaced and energized	-	1). PGE Connect Gas Meter 2). Residents start to move-in!
490 South Van Ness	490	South Van Ness	81	9	Rental	CONSTRUCTION COMPLETING	8/1/2018	3/2/2021	-	1). Completion of Repairs due to flooding 2). Lease-up	-	1). Residents move-in 2). Certificate of Completion 3). Financing conversion and close-out
2060 Folsom	2060	Folsom	127	9	Rental	CONSTRUCTION	1/2/2019	7/9/2021	-	1). Final Inspections 2). Lease-up activities start	-	1). Issuance of Temporary Certificate of Occupancy (TCO) 2). Lease-Up activities 3). Resident Move-In commence
1950 Mission	1950	Mission	157	9	Rental	CONSTRUCTION COMPLETING	12/7/2018	5/25/2021	10/20/2020	1). Lease-up - Move-Ins 2). Commencement and/or completion of TI for community serving space 3). Green Building Compliance final	-	1). Final Certificate of Completion 2). Grand Opening 3). Completion and Occupancy of Child Care space 4). Financing Conversion and Close-out
1064-68 Mission	1064-68	Mission	254	6	Rental	CONSTRUCTION	2/6/2020	2/18/2022	-	1). Addenda approvals on-going, approval of CHEFs space TI permit 2). DPH Clinic Shell Space work 50% Complete	1). Factory built modular schedule maintenance 2). PGE / PUC Trench	1). Commence factory built modular set

500 Turk Street / 555 Larkin	500	Turk	108	6	Rental	CONSTRUCTION	2/12/2020	12/3/2021	-	1). Construction top-off achieved	1). Approval of Street Improvement Permit (SIP)	1). Dismantle tower crane (STP required) 2). 50% Completion
Treasure Island C3.2 - Maceo May	401	Avenue of the Palms	104	6	Rental	CONSTRUCTION	8/10/2020	5/2/2022	-	1). Concrete podium construction complete	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). Factory built housing modular schedule maintenance	1). Infrastructure progress 2). Factory built housing module set commences
681 Florida	681	Florida	130	9	Rental	CONSTRUCTION	10/19/2020	9/1/2022	-	1). Addenda Approvals 2). Construction ongoing	1). Approval of Street Improvement Permit (SIP)	1). Street Improvement Permit (SIP) approval
Sunnydale Block 6	242	Hahn	167	10	Rental	CONSTRUCTION	12/5/2019	10/18/2021	-	1). Achieved 70% Completion	1). Compliance with Stormwater Management control ordinance through potential alternative measures in-lieu of use of permeable paving in certain phases and consistent with the Project's Master Infrastructure Plan 2). Resolution of ownership Phase 1A1+1A2 of gabion basket retention wall (DPW, SFPUC) 3). Coordination of Streetlight locations (SFPUC) 4). Gas Line Easement requirement by PGE resolution	1). Issuance of all remaining Addenda 2). Progress toward anticipated TCO 10/2021
Sunnydale Block 3	SE Corner	Sunnydale and Hahn	168	10	Rental	Permitting	2/1/2022	2/1/2024	-	1). Phase 1A3 100% Street Improvement Plan submitted (January 2021) (SFMTA, PW, SFPUC, SFFD)	1). Compliance with Stormwater Management control ordinance using alternative measures while remaining consistent with the Master Infrastructure plan and DPW standards 2). Coordination of Streetlight locations (SFPUC)	1). Submittal of site permit applications, pending Developer submittal (Planning, DBI) 2). Submittal of Phase 1A3 Final Map 3). Phase IA3 100% REV 3 SIP to be submitted

Potrero Block B	1801	25th	157	9	Rental	Permitting	5/1/2022	8/7/2023	-	1). Site Permit Review ongoing 2). Infrastructure construction issuance of NTP (2/21) 3). SIP and Infrastructure PA approval	1). Switchgear access agreement and easement 2). Coordination with PG&E on undergrounding existing overhead electrical lines with Street Improvement Plans, and determination of Interconnection Process for Block B Solar Photovoltaics (SFPUC)	1). Issuance of Site Permit 2). Submission of Phase 2 SIP
Hunters View Blocks 14 & 17	1151	Fairfax	118	10	Rental	Permitting	5/20/2022	12/1/2023	-	1). Street Improvement Permit (SIP) 3rd 100% Plans submitted for review (Planning, DPW, DBI) 2). Block 14 Site Permit approvals	1). COVID and market conditions impacting progress of Market Rate parcel (Blocks 2, 3 & 9) development 2). Block 14 Site Permit approvals	1). Issuance of Site Permits both blocks expected April 2021 (DBI) 2). Issuance of Grading Permit (Planning, DPW, DBI) 3). Start Phase 3 Infrastructure
78 Haight - Central Freeway Parcel U	72-78	Haight Street	63	5	Rental	Permitting	6/1/2022	7/1/2023	-	1). Submission of State Funding Application	1). State funding award (required to start construction) 2). Resolution of Temp and Perm power design and service provision (PGE / PUC)	1). Submit ADD 1 (Structural) and ADD 2 (Arch MEP)
4840 Mission	4840	Mission	137	11	Rental	Permitting	6/21/2021	11/1/2022	-	1). Building Demolition Start and Complete	1). Resolution of Temp and Perm Power Design approval required to start construction (anticipated 5/30/21)	1). Commencement of Construction
Francis Scott Key Educator	1351	42nd Avenue	130	4	Rental	Permitting	2/22/2022	9/1/2023	-	1). Site Permit Approval - 1/12/21	1). State funding award (required to start construction)	1). Approval of Demo Permit
Treasure Island C3.1		7 Seas at 6th Street	135	6	Rental	Permitting	2/21/2022	8/1/2023	-	1). Received MOHCD Gap Loan Approval for readiness points in State funding applications	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	1). Approval of Site Permit 2). Submission of ADD 1
Balboa Park - Upper Yard and BART Plaza	2340	San Jose Avenue	130	11	Rental	Permitting	6/28/2021	1/1/2023	-	1). ADD 1 - Structural - Approved for start of construction	1). Resolution of Temp and Perm power design and service provision (PGE / PUC) - REQUIRED for start of construction scheduled June, 2021 2). Release of DPW HOLD for SIP, BUF, etc. for start of construction	1). Commencement of Construction 2). ADD 2 (Arch MEP) approval
3001 24th Street	3001	24th Street	45	9	Rental	Permitting	1/6/2020	7/15/2021	-	1). State Elevator sign-off 2). Final inspections major systems	1). PGE Energization and SFMTA Street Closure	1). Lease-up 2). TCO
266 4th Street	266	4th	70	6	Rental	Permitting	4/18/2022	12/1/2023	-	-	1). State funding award (required to start construction)	-

921 Howard Street	921	Howard	203	6	Rental	Permitting	6/21/2021	12/1/2022	-	1). Demolition permit issued 2). Submission of ADD 2 (Arch MEP)	1). Approval of ADD 1 for commencement of construction	1). Approval ADD 1 (foundation and super structure) 2). Commencement of Construction
730 Stanyan	730	Stanyan	120	5	Rental	Permitting	-	-	-	-	1). Resolution of Temp and Perm power design and service provision (PGE / PUC)	-
180 Jones	180	Jones Street	72	6	Rental	Permitting	2/2/2022	9/1/2023	-	1). Addenda 1, 2 and 3 in review	1). State funding award (required to start construction)	-
600 7th (801 Brannan)	600	7th St	200	6	Rental	Permitting	2/21/2022	9/21/2023	-	-	1). State funding award (required to start construction)	1). Resubmission of Site Permit Application to increase unit count to improve competitiveness for State funding
4200 Geary Street	4200	Geary	98	1	Rental	Pre-Entitlement	6/1/21`	12/1/2022	-	-	1). Resolution of Temp and Perm power design and service provision (PGE / PUC)	-
The Kelsey	155-165	Grove	120	6	Rental	Pre-Entitlement	6/21/2022	12/1/2023	-	-	1). Resolution of Temp and Perm power design and service provision (PGE / PUC)	-
2550 Irving	2550	Irving	177	4	Rental	Pre-Entitlement	4/1/2023	9/1/2024	-	-	1). Resolution of Temp and Perm power design and service provision (PGE / PUC)	-

TOTAL UNITS	3,591
Under Construction	1,493
Complete / Leasing up this Quarter	238
Predevelopment (pre-entitlement or permitting)	1,860