### **Citywide HOPE SF Affordable Housing Loan Committee**

San Francisco Mayor's Office of Housing and Community Development
Office of Community Investment and Infrastructure
Department of Homelessness and Supportive Housing
Controllers Office of Public Finance
San Francisco Housing Authority

# Request for Grant Funds Related to Demolition of Alice Griffith Opportunity Center

Prepared By: Jason Luu

Loan Committee Date: October 15, 2021

Project Name & Address: Alice Griffith HOPE SF

Amount of Funds Requested: Up to \$100,000 through FY 21-22 Source of Funds Recommended: Up to \$100,000 –General Funds

Program: HOPE SF

Applicant/Sponsor Name: The San Francisco Housing Authority (SFHA)

#### 1. SUMMARY/BRIEF PROJECT UPDATE

The Alice Griffith Opportunity Center ("Center") has stood abandoned for 3 years, becoming a community nuisance, safety hazard and liability, and interferes with the HOPE SF principle of creating a strong sense of community through not only interpersonal communication but the built environment, as well. Originally, the Center was designed and programmed to house supportive services providers on a temporary basis at Alice Griffith while the larger redevelopment was planned. However, the Center was vacated in 2017 when the services providers relocated to a new site, and has fallen into an extreme state of disrepair and neglect.

In order to meet the needs of the community, Staff is requesting a grant of up to \$100,000 to the San Francisco Housing Authority (SFHA) to demolish the Center. Separately, MOHCD will request proposals to provide an interim use for the vacant site for up to five years, or to when the Master Developer recommences development activities at the Alice Griffith site.

Demolishing the Center provides an opportunity to repurpose the vacant space in collaboration with residents, creating an interim use nexus through which community can be built.

Staff recommends approval of this request.

### 2. PRINCIPAL DEVELOPMENT ISSUES

2.1 <u>Eventual loss of the repurposed space</u>. The interim use space will be available only temporarily and will eventually be developed as part of a future affordable housing

- site. The temporary nature of the interim use space must be communicated clearly to establish appropriate community expectations.
- 2.2 <u>Uncertainty of future repurposing</u>. A separate request for proposal for the interim use space will be issued by the end of 2021. In the event there are no adequate proposals, the space will remain vacant and inactive.

#### 3. BACKGROUND

3.1 **HOPE SF Summary**. A public-private partnership led by Mayor London N. Breed, HOPE SF is the nation's first large-scale reparations initiative aimed at creating vibrant, inclusive communities without mass displacement of the original residents. Leveraging MOHCD's investments in public housing and affordable housing transformation, and in collaboration with the Office of Community Investment and Infrastructure (OCII), HOPE SF takes a place-based approach by expanding conditions of inclusion and the re-enfranchisement of public housing residents through deep investments in education, economic mobility, health, and community leadership across four of the largest and most historically isolated former public housing communities in the City: Hunters View, Alice Griffith, Potrero Terrace & Annex, and Sunnydale. Launched in 2007, HOPE SF is a twenty-year human and real estate capital commitment, now spanning four mayoral administrations. Unlike prior redevelopment efforts that have largely displaced existing populations, HOPE SF is committed to current and former public housing residents, to breaking intergenerational patterns related to the insidious impacts of trauma and poverty, and to creating economic and social opportunities for families through deep investments in education, economic mobility, health, and safety.

HOPE SF sites share unified principles and goals, measured through a results-based accountability framework, to eradicate intergenerational poverty by:

- Ensuring No Loss of Public Housing, which includes unit-for-unit replacement, building modern high-quality homes, and minimizing temporary and permanent displacement;
- Creating an Economically Integrated Community;
- Maximizing the Creation of New Affordable Housing;
- Involving Residents in the Highest Levels of Participation in the Entire Project;
- Providing Economic Opportunities through the Rebuilding Process;
- Integrating Process with Neighborhood Improvement Revitalization Plans;
- Creating Economically Sustainable and Accessible Communities; and
- Building a Strong Sense of Community.

The request herein achieves a number of the stated goals above. Specifically, the requested funds would eliminate the blight and safety challenges presented by the disused Center and allow for a repurposing of the space to increase the already strong sense of community.

3.2 <u>Project History Leading to This Request.</u> Across three phases, 333 units of newly built affordable housing were completed in Alice Griffith, successfully housing all of the

former public housing households with a retention rate of 82%. In FY 24-25 predevelopment for the final phase of public housing replacement will begin, which will include 30 public housing replacement units. Starting predevelopment activities is dependent on the Master Developer completing additional horizontal development activities.

As part of the revitalization of Alice Griffith, the on-site resident services team moved to a newly built housing development at AG Phase 1 (2600 Arelious Walker Drive) in 2017 and the Center was no longer used. By 2019, the last public housing households living at the former Alice Griffith public housing site (the "Site") also moved to the new buildings. At the same time, due to the delays in infrastructure work and market rate development, the master developer, Five Point, agreed to secure the Site, which included the Center, with fencing. At that time, the City requested that the Center and the temporary Community Garden remain available to the relocated Alice Griffith community and outside of the area secured by fencing. This would have allowed the Center to be used as additional services space for a Wellness Center that was not included in the recently completed Alice Griffith buildings. The Alice Griffith Wellness Center, similar to other HOPE SF sites, would have been operated by the Department of Public Health (DPH) under a lease/license with SFHA to occupy the space.

In May 2019, ownership of the Site, excluding the area containing the Center, transferred to Five Point. After the transfer, and while the agreement with DPH was being negotiated, the Center suffered extensive damage – electrical wiring was stripped and the elevator was rendered inoperable. The abandoned Center in its current state has been further vandalized, with additional evidence of people living there, and it now poses a safety hazard to residents of the surrounding Alice Griffith community due to its physical condition.

The Center is slated for eventual demolition as part of the upcoming Alice Griffith construction development phases. When the infrastructure is complete for the next phase of construction development, portions of the land that will be affordable housing parcels will go to SFHA and the street portions will go to OCII, under lease to CP DEV Co (Five Point). The market rate parcels will also transfer to CP DEV Co. The area where the Center sits that is currently owned in its entirety by SFHA includes most of what will be Block 8, an affordable block, and some of the future Fitzgerald Street. However, due to large scale delays to Five Point's overall strategy for the area, demolition is not expected for at least five years. The danger posed by the physical condition of the Center must be mitigated through demolition now.

#### 4. GRANTEE

SFHA is a local public agency responsible for owning and managing public housing and administering the federal Housing Choice Voucher (HCV) program. SFHA is governed by a Board of Commissioners.

#### 5. SITE CONTROL

SFHA currently owns the land. Five Point, the Master Developer, has a license agreement

and a ground lease with SFHA for the eventual development of the Site. The City also has a license agreement with SFHA to enter and use the property. The Center itself is owned by MOHCD, who purchased it over 15 years ago using CDBG funds for the benefit of the community and area residents.

### 6. DEVELOPMENT PLAN

### 6.1 Demolition Plan Process.

6.1.1 <u>Demolition Costs.</u> SFHA's estimated demolition cost of the Center is \$99,800 according to the following schedule:

according to the following schedule.								
Demo. / Clean Up		\$	33,380					
Carpentry		\$	23,574					
Glazier		\$	9,142					
Plumbing		\$	1,420					
Electrical		\$	7,386					
Subs/Materials		\$	20,146					
Sub Total		\$	95,048					
General Conditions	5%	\$	4,752					
TOTAL		\$	99,800					

- 6.1.2 <u>Scope of Work</u>. SFHA will demolish the roofing, ramp, wall members of the structure, and foundation footings; remove the electrical inside the building; remove windows and glass; disconnect all plumbing connections; and remove and haul away trash and debris.
- 6.1.3 <u>Schedule of Demolition Work</u>. The work is projected to encompass 3 weeks. The SFHA Commission must also approve these grant funds, after which demolition can be scheduled.
- 6.1.4 <u>Project Management and Staffing of Demolition Work.</u> SFHA will project manage this work and utilize its Force Account crews.
- 6.2 <u>Interim Use Planning Process</u>. Once the Center is demolished, the vacant space will be repurposed in collaboration with residents, creating an additional nexus through which community can be built. MOHCD Community Development will issue a request for proposals by the end of 2021 in parallel to the demolition of the Center. General Funds will be utilized to activate and maintain the space for community benefit. Possible ideas for the community serving space include a play space for neighborhood residents.

#### 7. GRANT CONDITIONS

#### 7.1 Eligible Reimbursements

Funds will be made available under this grant for demolition activities undertaken by SFHA beginning no earlier than October 15, 2021.

# 7.2 Approval Conditions

- SFHA will provide HOPE SF and MOHCD staff with weekly progress updates in phone meetings or in writing.
- MOHCD staff will approve all invoices in monthly draws submitted to MOHCD.
   Draws will include third-party sign off of completed work or sign-off of MOHCD construction representative.

# 8. STAFF RECOMMENDATIONS

8.1 <u>Demolition Grant Amount</u>: Up to \$100,000.

### 9. LOAN COMMITTEE MODIFICATIONS

# 10. LOAN COMMITTEE RECOMMENDATIONS

Appro	oval indicates app	roval with	modifications, when	n so detern	nined by the Committee.	
[ ]	APPROVE.	[ ]	DISAPPROVE.	[ ]	TAKE NO ACTION.	
Fric S	haw, Director				Date:	
		sing and C	ommunity Develop	ment		
[ ]	APPROVE.	[ ]	DISAPPROVE.	[ ]	TAKE NO ACTION.	
	dor Menjivar, Directment of Homeles		ousing Supportive Housing	o o	Date:	
[ ]	APPROVE.	[ ]	DISAPPROVE.	[ ]	TAKE NO ACTION.	
Sally	Oerth, Interim Ex	ecutive Di	rector		Date:	
Office	e of Community In	nvestment	and Infrastructure			
[ ]	APPROVE.	[ ]	DISAPPROVE.	[ ]	TAKE NO ACTION.	
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[]	APPROVE.	[] ]	DISAPPROVE.	[]	TAKE NO ACTION.	
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	Van Degna, Directories of Poller's Office of P		ince			

Attachments: A. Site Plan

From: Blitzer, Mara (MYR)

**Sent:** Friday, October 15, 2021 1:37 PM

**To:** Chavez, Rosanna (MYR)

Cc: Ely, Lydia (MYR); Shaw, Eric (MYR)

Subject: 10/15/21 Loan Committee SFHA AG

Hi Rosie, I'm sorry, please use this instead:

On behalf of MOHCD, I approve of the proposed grant for Alice Griffith's community center.

My best, Mara

Mara Blitzer Director of Housing Development, MOHCD Working from home, best reached by email 415-350-7831

**From:** Menjivar, Salvador (HOM)

**Sent:** Friday, October 15, 2021 5:10 PM

**To:** Shaw, Eric (MYR)

**Cc:** Chavez, Rosanna (MYR); Blitzer, Mara (MYR)

**Subject:** FUNDS FOR THE DEMOLITION OF THE ALICE GRIFFITH OPPORTUNITY CENTER

I vote to approve the grant funds of up to \$100,000 to the San Francisco Housing Authority ("SFHA") for the demolition of the Alice Griffith Opportunity Center (the "Center").

Best,

salvador



Salvador Menjivar Director of Housing *Pronouns: He/Him* 

San Francisco Department of Homelessness and Supportive Housing

salvador.menjivar1@sfgov.org | 415-308-2843

Learn: <a href="https://hearts.color.org/learn-12">hsh.sfgov.org</a> | Follow: <a href="mailto:@SF\_HSH">@SF\_HSH</a> | Like: <a href="mailto:@SanFranciscoHSH">@SanFranciscoHSH</a>

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From: Oerth, Sally (CII)

**Sent:** Friday, October 15, 2021 12:00 PM

To: Chavez, Rosanna (MYR)
Cc: Luu, Jason (MYR)

**Subject:** Alice Griffith opportunity center demo funding - 10.15.21 Loan Committee

I approve the request for demolition funds for the Alice Griffith opportunity center, as presented at the 10.15.21 Loan Committee



# Sally Oerth

**Interim Executive Director** 

One South Van Ness Avenue, 5th Floor San Francisco, CA 94103

**415.749.2588** 

www.sfocii.org

From: Pereira Tully, Marisa (CON)

**Sent:** Friday, October 15, 2021 11:59 AM

**To:** Chavez, Rosanna (MYR)

**Cc:** Shaw, Eric (MYR)

**Subject:** Alice Griffith Community Center

# Approve this item

Marisa Pereira Tully (she/her) Controller's Office of Public Finance City and County of San Francisco

# Attachment A Site Plan

