HOMELESS TO HOUSED Terwilliger Center for Housing





CASE STUDY: JAZZIE COLLINS APARTMENTS



SAN FRANCISCO, CALIFORNIA

LOCATION:

53 Colton Street San Francisco, California

PROJECT TYPE: Permanent supportive housing

SIZE:

Lot Size: 0.18 acres Facility Size: 48,229 square feet Total Capacity: 96 efficiency studios

OWNER: HomeRise

OPERATOR: HomeRise

PARTNERS:

HomeRise, Strada Investment Group, David Baker Architects, CMG Landscape Architects, UA Local 38, city of San Francisco, state of California

COST: \$52.9 million

COMPLETION DATE: June 2022

CONTACT:

HomeRise Janea Jackson Chief Executive Officer jjackson@homerisesf.org



A spacious and brightly lit communal area within the building connects to the south-facing courtyard, which includes trees, outdoor seating, and artwork. (Image source: Russell Abraham)

Project Overview

Jazzie Collins Apartments (the Apartments) is a permanently supportive, affordable housing development for adults exiting homelessness in San Francisco. Its creation addressed the need for new and enhanced housing opportunities for legacy residents of the neighboring Civic Center Hotel and formerly homeless residents based on referrals from San Francisco's Department of Homelessness and Supportive Housing. The Apartments, located at 53 Colton Street, helped transform the project area from commercial buildings and surface parking lots into a mixed-use development at the existing Civic Center Hotel.

In 2015, the city of San Francisco initiated plans to revitalize the Market Street and Van Ness Avenue area, known as the "Hub" neighborhood. Owned by UA Local 38 Plumbers and Steamfitters, the union was seeking a development partner for the 2.8-acre site. Strada Investment Group secured the bid. Strada obtained entitlements for the site based on a master plan crafted by David Baker Architects. HomeRise joined this effort in 2019. The development aligns with the city's strategy for economic recovery, focusing on job creation and infrastructure investment after COVID-19. It also advanced Mayor London Breed's Homelessness Recovery Plan. The plan was to expand the capacity of the Homelessness Response System by creating 1,500 units of permanent supportive housing between 2020 and 2022. By the end of 2022, the city more than doubled this goal, with 3,081 active or under-contract units.

The six-story, 96-unit development, named in honor of trans housing advocate Jazzie Collins, is fully electric and includes a solar photovoltaic array on the rooftop. Each efficiency unit is fully accessible and has a private bathroom, kitchenette, and furniture. The building design incorporates an onsite resident services suite accessible to residents at no cost. These programs encompass various services to support residents and foster self-sufficiency, including case management, one-on-one counseling, community workshops, health assessments, treatment planning, and crisis intervention.

The units were entirely constructed by union labor, contributing to adherence to the budget and an early completion two months ahead of schedule. In addition, DCI Engineer's implementation of a post-tensioned concrete slab at Level 2 reduced construction costs and structural framing thickness. Construction began in March 2021 and concluded in June 2022. The following month, the Apartments welcomed its inaugural residents.

The Partnership

Jazzie Collins Apartments is a partnership between HomeRise and Strada Investment Group, David Baker Architects, CMG Landscape Architects, UA Local 38, the city of San Francisco, and the state of California. Strada facilitated funding and oversaw construction, while HomeRise is responsible for lease-up and operational start-up and serves as the owner, property manager, and service provider. This project is a model for leveraging private funds to build costefficient housing, reflecting Strada's larger 1629 Market Street development approach.

Costs and Financing

The Apartments were financed through the following:

- A \$4 million investment from the San Francisco Mayor's Office of Housing and Community Development provided vital permanent financing for Jazzie Collins Apartments.
- The above funding, combined with state and federal low-income housing tax credits and a State of California Department of Housing and Community Development – Multifamily Housing Program Loan totaling \$52.5 million, propelled the project forward.
- The AFL-CIO Housing Investment Trust invested \$19.1 million in the new construction of Jazzie Collins Apartments as part of its \$1 billion Bay Area Investment Initiative.

For more detailed information, see the project pro forma.

What Worked: The Project

At Jazzie Collins Apartments, the success of its supportive services stems from a combination of key factors meticulously woven together. Firstly, the establishment of a new facility marked a fresh beginning, providing a modern and inviting space where residents could feel comfortable seeking assistance and participating in community events. Crucially, the consistent staffing ensured that residents could rely on a dedicated team of professionals readily available to address their needs. This steadfast presence cultivated trust and a sense of security within the community, laving the foundation for the success of the Resident Services Department objectives. These objectives encompass a wide array of essential services, ranging from rental assistance to resume writing and job-search support, catering to the diverse needs of the residents. In addition, the provision of medical visit chaperoning demonstrates a commitment to holistic care, ensuring that residents have the support they need to prioritize their health and well-being.

Moreover, the vibrant array of activities offered by Jazzie Collins Resident Services plays a pivotal role in fostering a sense of belonging and engagement among residents. With more than 14 monthly activities, from community meetings to holiday celebrations, residents have ample opportunities to connect with their neighbors and participate in enriching experiences. These activities provide joy and camaraderie and serve as platforms for personal growth and community building. By prioritizing resident involvement and offering a diverse range of events, Jazzie Collins Resident Services creates a dynamic and inclusive environment where every individual feels valued and supported on their journey toward a fulfilling life.

The Apartments also include a community room, communal kitchen, laundry facilities, bicycle parking



area, and an outdoor courtyard. They are near health services, such as a hospital and urgent care centers, which are accessible by public transit or within walking distance. The entrance faces Joseph P. Mazzola Gardens, a newly established public park that forms an integral part of the Brady Block development.

Jazzie Collins averages a 92 percent occupancy rate, depending on the referral received through the local Coordinated Entry System.

What Worked: The Program

The project was unique in several ways. Namely, it provided employment opportunities for tradespeople who were unemployed during the pandemic. In addition, according to Strada, this project is the first of its kind to combine market-rate and homelesssupportive housing on a private development site. Moreover, beyond its innovative approach to addressing unemployment amidst the pandemic and its unique integration of market-rate and homelesssupportive housing, the project's impact extends further through the Resident Services staff, who are instrumental in cultivating a vibrant and supportive community within the development.

The Resident Services staff consists of five staff members, including three Resident Services counselors, one Resident Services team lead, and one Resident Services manager. Without the services provided by this team, many essential communitybuilding initiatives would not be possible. This team forms the core of the building, facilitating connections with residents, meeting them where they are, and assisting them in achieving their goals, no matter how small. Each team member possesses a unique approach to interacting with residents, bringing out the best in everyone. They demonstrate understanding, empathy, and unwavering dedication to their work.

Challenges

The project encountered various challenges, each met with innovative and resourceful solutions. Notably, the ongoing COVID-19 pandemic has consistently posed significant challenges for residents of Jazzie Collins Apartments, with the added complication of a high acuity of residents after COVID-19. Solutions have been implemented to address this, including recruiting onsite clinical case managers.

Another challenge was the project site's proximity to the Bay Area Rapid Transit tunnel, making it necessary to excavate a basement to mitigate the weight exerted on the tunnel. Given the constrained 8,000-square-foot site and height restrictions, communal areas were strategically located in the basement, allowing space above ground for supportive services, offices, and residences. Light is introduced to these below-grade community spaces through a south-facing courtyard, which serves as the project's focal point.

Outcomes

In the heart of Jazzie Collins Apartments, Resident Services thrived, successfully relocating and providing permanent housing to 92 individuals experiencing homelessness while offering them a range of supportive services. These services include counseling on housing retention and stability, case management, and assessing residents' health, mental health, and substance-use treatment needs. Additionally, the team assists tenants in obtaining and maintaining benefits such as cash aid, CalFresh and other food programs, Medi-Cal health coverage, access to medical clinics, and support services such as In-Home Support Services.

From the robust turnout at events to the deep bonds of trust forged between residents and staff, each achievement spoke volumes of the department's unwavering dedication. Behind the scenes, meticulous planning and collaborative efforts ensured that staff consistently surpassed their monthly matrix targets, setting a standard of excellence for all to emulate. Staff objectives include engaging all residents at least one time by providing opportunities for participation in 12 groups or activities and offering two coordination meetings with property management. These accomplishments were not mere markers of success but tangible evidence of the team's commitment to enriching the lives of residents.

HOMELESS TO HOUSED: PROJECT PRO FORMA

LOCATION53 Colton Street, San Francisco, CaliforniaJazzie Collins Apartments is a permanently supportive, affordable housing development for adults exiting homelessness in San Francisco.SPONSORHomeRise, Strada Investment GroupHousing development for adults exiting homelessness in San Francisco.NUMBER OF UNITS/RESIDENTS SERVED96	NAME Jazzie Collins Apartments	BRIEF DESCRIPTION
S on Son Thomas and a mesunent droup	LOCATION 53 Colton Street, San Francisco, California	
NUMBER OF UNITS/RESIDENTS SERVED 96	SPONSOR HomeRise, Strada Investment Group	housing development for adults exiting homelessness in San Francisco.
	NUMBER OF UNITS/RESIDENTS SERVED 96	
SIZE (SQUARE FOOTAGE) 48,229 square feet	SIZE (SQUARE FOOTAGE) 48,229 square feet	

TOTAL (\$)

PER RES./UNIT

DEVEL	OPMEN	r PRO	FORMA

USE OF FUNDS		
Acquisition of land and/or building	603,274	6,284
Architecture, engineering, and entitlement costs	4,044,950	42,135
Construction costs	35,810,762	373,029
Legal and professional costs	444,853	4,634
Additional equipment and related costs	0	0
Development fees	5,768,756	60,091
Interest during construction	3,333,408	34,723
Real estate taxes during construction	302,241	3,148
Other costs (insurance, escrow, title recording fees, reserve funding, cost of bond issuance, financing fees)	2,619,261	27,284
Total uses, capital cost	52,927,505	551,328
SOURCE OF FUNDS		
Permanent debt	24,673,601	257,017
Equity	28,253,904	294,312
Philanthropic capital, government grants, or similar	0	0
Total sources	52,927,505	551,328

OPERATING PRO FORMA

ANNUAL REVENUE		
Revenue from residents	155,232	1,617
Revenue from resident-related sources (vouchers, etc.)	0	0
Revenue from other sources (grants, philanthropy)	1,328,399	13,837
Support for wraparound services	0	0
Other (vacancies at 5%)	(7,762)	(81)
Total revenue	1,475,869	15,374
ANNUAL EXPENSES		
Property operations	456,358	4,754
Salaries	554,619	5,777
Repairs and maintenance	84,209	877
Utilities	238,448	2,484
Taxes	13,856	144
Insurance	270,186	2,814
Other property-related expenses	0	0
Total property operational expenses	1,617,676	16,851
TOTAL EXPENSES	1,617,676	16,851
NET REVENUE (DEFICIT)	(141,807)	(1,477)

About the Urban Land Institute

ULI is a nonprofit education and research institute supported by its members. Its mission is to shape the future of the built environment for transformative impact in communities worldwide. Established in 1936, the Institute has more than 48,000 members worldwide representing all aspects of land use and development disciplines.

About ULI Homeless to Housed

Homeless to Housed (H2H) recognizes that ULI members are well positioned to help address homelessness. With generous support from a growing number of ULI members, the initiative works to explore real estate solutions to the growing crisis affecting communities everywhere. Core elements of this work include conducting research, promoting cross-sector collaboration, providing local technical assistance through ULI's network of district councils, and sharing knowledge and expertise for addressing housing challenges for individuals and families.

This initiative began through the 2022 research report *Homeless to Housed: The ULI Perspective Based on Actual Case Studies*. Driven by the generosity and guidance of Preston Butcher, the report explores the role the real estate community can play in addressing the issue of homelessness. It includes a summary of lessons learned, a blueprint for how to replicate best practices in U.S. communities, and a series of case studies that demonstrate how the development community can be an active partner in addressing the critical shortage of housing in the United States. See the full report and companion case studies: <u>uli.org/h2h</u>.

uli.org/homelessness homelessness@uli.org

Sources

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ULI Americas Awards for Excellence Gallery, 2023.

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