

## Citywide Affordable Housing Loan Committee

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

1515 South Van Ness Avenue

**\$45,360,000 Preliminary Gap Loan Request  
(Includes \$1M AHP Bridge)**

Evaluation of Request for:	Preliminary Gap Loan
Loan Committee Date:	July 7, 2023
Prepared By:	Omar Masry, Project Manager
MOHCD Asset Manager	Michael McLoone, Asset Manager
MOHCD Construction Representative	Harry Wong, Construction Representative
Sources and Amounts of New Funds Recommended:	\$22,877 LMIHAF \$4,150,000 Condo Conversion \$5,187,123 AHF Jobs Housing \$32,000,000 GO Bonds
Sources and Amounts of Previous City Funds Committed:	\$1,000,000 Housing Trust Fund \$3,000,000 Inclusionary Fees- Eastern Neighborhoods-Upper Mission
	<b>TOTAL GAP REQUEST: \$45,360,000</b>
NOFA/PROGRAM/RFP:	Multi-site Request for Qualifications issued on November 30, 2020
Applicant/Sponsor(s) Name:	Mission Economic Development Agency & Chinatown Community Development Center

## **EXECUTIVE SUMMARY**

### **Sponsor Information:**

Project Name:	Casa Adelante: 1515 South Van Ness Avenue	Sponsor(s):	Mission Economic Development Agency & Chinatown Community Development Center
Project Address (w/ cross St):	1515 South Van Ness Ave, San Francisco CA 94110 (cross street – 26 <sup>th</sup> Street)	Ultimate Borrower Entity:	Casa Adelante SVN Housing, L.P.

### **Project Summary:**

Mission Economic Development Agency (MEDA) and Chinatown Community Development Center (CCDC) (together, “Sponsors”) are seeking a preliminary gap financing commitment in support of applications to the July 2023 State SuperNOFA application for a Multi-Family Housing Program (MHP) loan.

The proposed development located at 1515 South Van Ness (1515 SVN), is bounded by 26<sup>th</sup> Street to the north, Shotwell Street to the east, an auto parts store to the south, and Casa Adelante at 1296 Shotwell Street (100% senior affordable housing) to the southeast. The existing commercial warehouse building will be replaced by a new nine-story mid-rise residential building featuring 168 units of 100% affordable housing primarily intended for families, along with a ground floor neighborhood-serving early childhood education center (ECEC) and separate community serving commercial space (Project).

The proposed mix of residential units includes 5 units reserved for the Plus Housing Program set aside to support HIV positive households at 50% or lower MOHCD AMI, 42 units reserved for families experiencing homelessness subsidized by the City’s Local Operating Subsidy Program (LOSP), 120 general affordable units intended for families, and a two-bedroom manager’s unit. The Project features 333 bedrooms spread amongst 15 studios, 32 one-bedroom units, 77 two-bedroom units, and 44 three-bedroom units; with units restricted at MOHCD Area Median Income (AMI) levels between 25% and 80%.

### **Project Description:**

Construction Type:	Type I/III	Project Type:	New Construction
Number of Stories:	9	Lot Size (acres and sf):	0.80 acres / 35,714 sf*
Number of Units:	168	Architect:	David Baker Architects & Y.A. Studio (JV)
Total Residential Area:	189,111 sf	General Contractor:	Guzman Construction Group-Marinship (JV)
Total Commercial Area:	8,135 sf	Property Manager:	CCDC
Total Building Area:	200,197 sf	Supervisor and District:	Hilary Ronen D-9
Land Owner:	City of San Francisco		
Total Development Cost (TDC):	\$168,314,047	Total Acquisition Cost:	\$0**
TDC/unit:	\$1,001,869	TDC less land cost/unit:	N/A
Loan Amount Requested:	\$45,360,000**	Request Amount / unit:	\$270,000
HOME Funds?	* N	Parking?	N

\* Project site consists of three adjoining lots including 3251 26<sup>th</sup> Street and 1214 Shotwell Street. A lot merger application is pending submittal to SF DPW circa July 2023.

\*\*City acquired the site directly for \$18.5 million in June 2019. This acquisition cost is not included in Project costs, except for \$45,000 in legal costs, holding costs and real estate transfer taxes.

\*\*\*Includes a \$1 million MOHCD temporary bridge loan for an FHLB AHP loan.

## **PRINCIPAL DEVELOPMENT ISSUES**

- **Construction Pricing and MOHCD Subsidy.** The overall construction costs at 100% Schematic Design (SD) are estimated at \$700,680 per square foot, or \$810,059 per unit, and include cold and warm shell costs for the childcare center and the 2<sup>nd</sup> commercial space. This per unit cost includes a 6% escalation factor which is typically associated with a one-year lead time for construction, where this Project likely requires a minimum 18-month lead time, and a 9% escalation is typically utilized, which would add approximately \$3MM in hard costs. Staff is also concerned that this construction cost is not representative of the eventual building costs, due to construction costs increases and the early stages of drawings where significant cost increases only become visible when detailed building system specifications are incorporated and priced out a few months after 100% SD. Ongoing value engineering will be required to contain costs and is included as a loan condition. See Section 4.3 for more information.

The current development budget request seeks a City subsidy of \$270,000, which is within range of for \$250k to \$280k required by MOHCD. This is within the range of other MOHCD pipeline projects, however, this subsidy amount is subject to the risk that hard construction costs risks could increase the City's subsidy to \$287,857, if a \$3MM increase, as noted above, was assumed.

- **State Funding :** The proposed Project financing includes \$45,360,000 in a State Housing and Community Development (HCD) Multi-Family Housing Program (MHP) loan as part of the overall \$167,920,303 amount. This amount is intended to be submitted in a July 12, 2023 SuperNOFA application. The MHP funding pool in this round is considered highly oversubscribed by a factor of at least 5 to 1. Project competitiveness is considered limited as the Project site is located in a low resource area (per State TCAC Opportunity Maps). See Section 4.1.1 for more information.
- **Temporary and Permanent Power Coordination:** While the City's Public Utilities Commission (PUC) is the power provider for most City owned sites, projects mainly rely on PG&E's infrastructure for temporary and permanent power which has put several of MOHCDs projects at risk for cost over runs resulting from PG&E application delays. To mitigate this risk, the Sponsor plans to submit its application to PG&E in September 2023, however there is no guarantee that the Project will not be impacted by the current issues of cancellation and rescheduling by PG&E. See Section 4.3 for more information.

### SOURCES AND USES SUMMARY

Predevelopment Sources	Amount	Terms	Status
MOHCD Loan	\$4,000,000	57 yrs @ 3.00% / Res. Rec.	Previously Committed

Permanent Sources	Amount	Terms	Status
MOHCD Loan	\$44,360,000*	57 yrs @ 3.00% Res. Rec.	This Request
MHP (State HCD) Loan	\$37,930,397	3% @ 55 yrs	Not Committed
Permanent (Private) Loan	\$4,910,000	15 yrs @ 6.16%	Committed
FHLB AHP Loan	\$1,000,000	15 yrs @ 0.00%	Not Committed
Deferred Developer Fee	\$400,000		Committed
General Partner (GP) Equity	\$500,000		Committed
Investor Equity (4% Tax Credits)	\$77,188,918	\$0.97 tax credit rate	Not Committed
Accrued Interest on MOHCD Loan	\$630,988		
<b>Total Funding</b>	<b>\$166,920,303</b>		

\*Includes \$4,000,000 MOHCD Predevelopment loan. MOHCD loan amount would be increased by \$1,000,000 (to \$45,360,000) as a temporary bridge loan for the Federal Home Loan Bank Affordable Housing Program Loan.

Permanent Uses	Amount	Per Unit	Per SF
Acquisition*	\$45,000**	\$268	\$0.22
Hard Costs	\$136,089,836	\$810,059	\$680
Soft Costs	\$26,925,822	\$160,273	\$135
Reserves	\$759,645	\$4,522	\$4
Developer Fee	\$3,100,000	\$18,452	\$15
<b>Total</b>	<b>\$166,920,303</b>	<b>\$993,573</b>	<b>\$834</b>

\*\*The predevelopment loan evaluation noted an acquisition cost of \$45,000 for legal costs, holding costs and transfer tax. See Section 1.1 below.

## 1. BACKGROUND

### 1.1. Project History Leading to This Request.

1515 South Van Ness Avenue (Block 6571, Lot 008) is a 35,714 square foot irregularly shaped lot located at the intersection of South Van Ness Avenue and 26th Street (Site). At present, the 0.80-acre Site consists of three separate lots (008, 001, and 001A) and is improved by a two-level vacant commercial building (formerly McMillan Electric) with surface parking and a small strip of landscaping.

The Site is located on the southern border of San Francisco's Mission District and falls within the Calle 24 Special Use District (SUD), which is intended to preserve the prevailing neighborhood character of the Calle 24 Latino Cultural District, while accommodating new uses and recognizing the contributions of the Latino community to the neighborhood and San Francisco more broadly. Approximately 17% of the neighborhood households are rent burdened (paying more than 50% of income on rent), which reflects the advanced gentrification of the neighborhood and puts existing low-income residents at high risk of displacement.

The Site was permitted for a market rate housing development by Lennar, doing business as LMS San Francisco 1 Holdings LLC (Owner), in 2016. The Mission community mobilized for the Site to be more affordable and encouraged the sale in 2019 to the City and County of San Francisco.

The City utilized a \$5MM Metropolitan Transportation Commission Affordable Housing Jumpstart Grant, along with \$14MM in ERAF funds to purchase the Site from the Owner pursuant to a Purchase and Sale Agreement dated June 17, 2019, with the intent of developing new affordable housing.

MEDA and CCDC were selected as Project Sponsors, pursuant to a Multi-Site RFQ (See Section 1.2) seeking 100% affordable family housing development, with 25% of the units reserved for households experiencing homelessness and 5 Plus units. The team has onboarded the design team, general contractor and a first phase of Project consultants. The design team, a partnership between David Baker Architects and YA Studio, prepared a zoning and capacity analysis (utilizing State Law Density Bonus guidelines) that showed that the Site could yield up to 170 units for a mid-rise 9 story building.

Guzman Construction Group and Marinship Development Inc, the joint venture partnership procured as General Contractor, completed a preliminary cost estimate based on the MOHCD approved 9-story mid-rise scenario. Both the design analysis and cost-estimate are used as basis to this preliminary gap loan commitment request.

#### 1.2. Applicable NOFA/RFQ/RFP. (See Attachment E for Threshold Eligibility Requirements and Ranking Criteria)

Through the Multi-site RFQ issued on November 30, 2020, CCDC and MEDA were selected to develop the Site, with CCDC providing support services for all units except the 5 PLUS units, for which Catholic Charities was selected to provide the services. The other respondent team was a joint venture with the John Stewart Company and Bernal Heights Neighborhood Center. The selected Sponsors met the minimum threshold eligibility requirements and were selected as the highest scoring team from the competitive RFQ process.

During predevelopment, it was determined that the 5 Plus units could be served by existing offsite providers. As the role of Catholic Charities was limited to Plus services, Catholic Charities, which was not part of the development team, exited the development proposal at the request of MOHCD and the partnership. As the modified developer team composition retains the same characteristics that allowed a higher

score (90 points) than the other respondent team (89 points), and no change to the development team is warranted.

1.3. Borrower/Grantee Profile. (See Attachment B for Borrower Org Chart; See Attachment C for Developer Resume and Attachment D for Asset Management Analysis).

1.3.1. Borrower.

The borrower entity for predevelopment, construction, and permanent financing will be Casa Adelante SVN Housing, L.P., which is made up of CCDC and MEDA and was officially established by the Sponsors in September 2021.

1.3.2. Joint Venture Partnership.

CCDC and MEDA will share joint responsibilities during the predevelopment, construction, and permanent conversion phases, with each party responsible for 50% of any development and/or operating period liability. The developer fee will be evenly split between CCDC and MEDA. The partnership structure builds on previous partnerships with CCDC (Casa Adelante: 1296 Shotwell and Casa Adelante: 2060 Folsom) to cultivate MEDA's capacity as a solo developer and owner. MEDA has knowledge of the Mission neighborhood and the ability to successfully conduct neighborhood outreach and secure neighborhood support in the Mission. CCDC has a longer history and track record in developing and managing affordable housing, including managing pro formas, providing property management and supportive services to residents, including serving formerly homeless individuals.

Please see Section 1.3.6 for roles and responsibilities and Section 1.3.7 regarding MOHCD requirement to amend the March 2021 MOU to adjust MEDA's responsibilities until they have met certain conditions.

1.3.3. Demographics of Board of Directors, Staff and People Served.

MEDA:

- Board: MEDA's 10-member Board of Directors is 75% Latinx, chaired by Rafael Yaquian.
- Staff:
  - Organization: Luis Granados (Chief Executive Officer) leads MEDA with its Chief Operating Officer and Chief Financial Officer - one Latinx and two women. 95% of the 12-person Management team are people of color and 60% identify as Latinx. MEDA's current staff is 74% Latinx; 15% White; 7% Asian/Pacific Islander; 1% Black; 3% Mixed/Other.
  - Development Team: The team of 16, including the Director, are 95% people of color.

### CCDC

- Board: Chinatown CDC's Board of Directors is comprised of 23 members and is over 80% people of color with a close 50/50 split between male and female representation.
- Staff:
  - Organization: Executive Director Malcolm Yeung leads an executive team of 6. More than half of the executive staff are people of color and half are women. Overall demographics of CCDC employees are 64% Asian; 10% White/Caucasian; 8% Black/African American; 8% Hispanic/Latino; 7% are two or more races; and 1% are Native Hawaiian or other Pacific Islander.
  - Development Team: CCDC's Housing Development Division is made up of a 21-person team, which has over 75% people of color. 85% of the division are women, including the Director and Associate Director of Housing Development.

#### 1.3.4. Racial Equity Vision.

MEDA maintains a “Latino Economic and Advancement Framework” (LEAF) that is guided “by fully embracing a Race-Equity-Culture framework, and equipping staff and board members with knowledge and resources to achieve generational asset building for themselves and their families, and support community members.”

CCDC's mission evolved from preserving Chinatown as a low-income immigrant gateway to building political power among residents to bring the neighborhood resources and opportunities it had historically been denied. In the past decade, this has meant looking inward to heal historical divides between Asian Americans and the Black and Latinx communities by supporting smaller Black- and Latinx-led developers in JV partnerships and technical assistance. MEDA and CCDC also achieve their goals by hiring and promoting a broader diversity of staff while being place-based and community focused.

Through the Project, Sponsors will ensure BIPOC, particularly Latinx, households are involved in and aware of housing opportunities from inception to leasing. In addition, as part of the outreach strategy, Sponsors will increase outreach efforts for Certificate of Preference and Displaced Tenant Housing Preference certificate holder households and will work closely with Young Community Developers (YCD) and Tabernacle Community Development Corporation (TCDC) to focus on COP and DTHP placements for primarily Black households. These strategies are building on the current JV partnerships between CCDC and YCD for Pier 70, MEDA-YCD-Tabernacle (proposed JV partnership for Potrero Yard) for new construction production. MEDA is also advising YCD in their exploration of the Small Sites Program.

As BIPOC-led organizations, both Sponsors' organizational growth models create opportunities and cultivate growth of other BIPOC-led organizations, starting with each of the partners. The Sponsors work together on 1515 SVN builds on previous work with CCDC (Casa Adelante: 1296 Shotwell and 2060 Folsom) to cultivate MEDA's capacity as solo developer and owner, which is intended to evolve the wealth of the Latinx community from financially surviving to financially thriving, including building integrational wealth, and reversing displacement of the Latinx community of the Mission.

Further, the Sponsors have selected general contractors who can generate hundreds of jobs that promote racial equity goals, treating the jobs created as steppingstones to generational stability. In selecting contractors, the Sponsors prioritized BIPOC-led teams while containing the costs of development and construction, building on previous successful efforts to meet and exceed City-mandated contracting goals.

A 2022 OEWD Local Hiring Report states that the procured General Contractor, Guzman Construction Group, has one the highest percentages of local hiring on record for all its projects. Similarly, Marinship Development Inc will leverage its relationship with local BIPOC-focused apprenticeship programs to create job opportunities for local communities through the development and construction of Casa Adelante 1515 SVN.

In addition, the Sponsors' goal is to lease the ground floor to occupants who value race, culture, and place-based equity in their business model and/or who serve community needs.

Current occupancy demographics (CCDC): Within CCDC's current real estate portfolio, the breakdown by race includes: 61% Asian, 12% White, 10.5% Black, 9% other, 6% declined to report, 1% Native American, and 0.5% Pacific Islander. There was one recorded eviction for 2021.

Current occupancy demographics (MEDA): Out of the 946 units MEDA manages in the REO, the breakdown by race includes: 20% Asian, 17% White, 1% Black, 25% declined to report, 3% Native American, 2% Pacific Islander, 17% Other. MEDA has no evictions on record.

#### 1.3.5. Relevant Experience.

MEDA and CCDC recently completed two tax credit 100% affordable housing projects (Casa Adelante: 1296 Shotwell and Casa Adelante: 2060 Folsom), both in the Mission District, as a joint venture development team. With Casa Adelante: 1296 Shotwell (senior housing) being immediately adjacent to 1515 South Van Ness, the Sponsors are familiar with the nearby community and the building environment, which will be helpful during the community engagement and during construction project phases. Casa Adelante: 2060 Folsom is a family housing building that provided valuable experiences for the development of 1515 South Van Ness. Similarly, the Sponsor is leveraging existing neighborhood relationships from the development of Casa Adelante: 1296 Shotwell and has notified and



engaged with several neighborhood stakeholders about this Project since the RFQ was awarded.

1.3.6. Project Management Capacity. See Attachment C for full project management experience for both teams.

The joint development team is responsible for different functions and consists of the individuals identified below:

- Joint Roles and Responsibilities:
  - o Secure acquisition and predevelopment financing
  - o Engage and collaborate with consultants and attorneys
  - o Design Program
  - o Administration of Architect and Construction Contract
  - o Budget and secure development/permanent financing
  - o Loan/Project guarantees
  - o Development/Construction Cost Protocol
  - o CCDC Responsibilities: CCDC will support the Project's construction and operating budget development focusing on the operating, maintenance, and service provision sections of the budgets. CCDC will be leading Operations, Resident Services, Accounting Services, and Asset Management functions. Joanna Ladd, Associate Director of Housing Development: Joanna will dedicate 10% of her time providing oversight on the Project.
  - o Omar Rahmaoui, Project Manager: Omar will dedicate 50% of his time to the project.
  - o Angelina Perez, Assistant Project Manager, will dedicate 50% of her time to the project.
- MEDA Responsibilities: MEDA will lead key development decisions and will establish an initial budget and financing plan for the Project, with inputs as described above from CCDC. MEDA will also be leading the Entitlement and Permit processes and Community Outreach. After MEDA's fiscal monitoring period is over and upon MOHCD's approval, MEDA will manage Accounting Services and part of the Asset Management function.
  - o Elaine Yee, Deputy Director of Community Real Estate will serve as the primary representative for MEDA and oversight for the project. She will dedicate 5% of her time to the project.
  - o Laura Daza-García, Project Manager: Laura will dedicate 50% of her time to the Project.

The Project Sponsor has had turn over since the predevelopment loan closed for both MEDA and CCDC. The Sponsors brought in an out of state consultant to help facilitate. Zen Consulting's contract is currently contracting for both CCDC and MEDA for project management. Costs related to this additional contract will be paid from Sponsors' developer fees.

- o Ilea La Vora, Consultant: Ilea will dedicate 10% of her time providing oversight on the Project through October 2023.

- o Kaila Price, Sr. Project Manager (Consultant): Kaila is contracted for 15 to 20 hours weekly, with no end date determined. MEDA will retain a consultant in this SMP Role while recruiting for an Associate Director of Production.

### 1.3.7. Performance.

#### 1.3.7.1. City audits/performance plans.

Community Development Grants: CCDC holds at least 15 contracts/grants with the City, from tenant counseling (eviction prevention counseling), rental housing counseling (BMR rental housing counseling), and case management for SRO families as well as CCDC Youth Leadership, Campaign Academy, and Service connections for the API community. The organization has performed exceptionally well programmatically in MOHCD contract/grants.

Fiscal Monitoring: Regarding fiscal monitoring, CCDC was not chosen for discretionary fiscal monitoring this past year. In FY 19-20, the organization received a waiver since there were no findings and CCDC was considered fiscally healthy in Fiscal Year 18-19 and 17-18.

#### **MEDA:**

Community Development Grants: This year, MEDA holds four active contracts/grants with the City, from homeownership counseling, financing capability coaching, affordable rental counseling and Mission Promise Neighborhood's parent services connection model. Generally, the organization has performed well on its grants, having recently completed corrective actions. However, the MOHCD Community Development team recently closed a performance noncompliance matter related to MEDA's 2020-21 Homeownership Counseling Project. Staff worked in close partnership with the organization's Chief Operating Officer and Director of Asset Building programs over the course of six months, and MEDA completed an extensive Corrective Action Plan as of August 2021. Since the resolution of the Corrective Action Plan in August 2021, MEDA has been in good standing with the Community Development Grants with MOHCD on homeownership counseling, financing capability coaching, affordable rental counseling, and the Mission Promise Neighborhood parents service connection model.

Small Sites Program Capacity Grant: MOHCD has extended deadlines for all the grant deliverables. Initial submissions have been incomplete and low quality, requiring significant revisions and feedback. MOHCD extended MEDA's SSP Capacity Building Grant in July 2022 till December 2023, as a multi-year grant to support the organizational impact from economic challenges of the pandemic arising from 2020-2021. Two out of three of the grant deliverables - (West Side capacity and Innovation work) have been complete since January 2022. MEDA is continuously using grant funds to increase the staffing capacity toward their asset

management functions.

Fiscal Monitoring: On August 31, 2021, MOHCD issued a letter to the Executive Director of MEDA to flag concerns about ongoing comments and recommendations in the 2020 MEDA Small Properties, LLC and MEDA Precita Small Property, LLC Management Letter, produced by an audit firm, Linquist Von Husen and Joyce, LLP and received by MOHCD on July 21, 2021. Specifically, the auditors' letter flagged concerns about MEDA's real estate development financial policies and practices and recommended that MEDA produce an updated Finance Policies and Procedures Manual to be approved by the Board of Directors and Chief Financial Officer. Further, MOHCD requested that MEDA provide documentation that all members of the Community Real Estate Finance team and third-party Property Management firm have been trained on the new policies and procedures to ensure the entire organization is adhering to the updated practices. In addition, MOHCD requested that MEDA resolve all outstanding Preservation and Seismic Safety Program (PASS) loans in forbearance, including closing of financing for any required workout plans.

As of Friday, March 25, 2022, MEDA was cleared to proceed with its Small Sites development work upon addressing the concerns outlined above. Since then, MEDA has strengthened the Asset Management team with the Associate Director of Asset Management leading 5 staff members to manage the portfolio along with the Community Real Estate Finance team. MEDA has also expanded on organizational compliance by developing a Risk Management and Compliance (RMC) department. In late 2022, MEDA hired its first RMC Director, who currently manages 2 FTE compliance analysts to manage the increasingly complex and growing set of compliance items across the organization.

MOHCD asked the Sponsors to revise their MOU to assign all project accountant, fiscal agent, and asset management responsibilities to CCDC until the development pause was lifted and no earlier than the beginning of the following calendar year (January 2023). While MEDA's performance concerns have been addressed, revisions made to the MOU to reduce MEDA's role remain in place.

#### 1.3.7.2. Marketing/lease-up/operations.

Based on the experience of marketing and lease-up for Casa Adelante: 1296 Shotwell (the Project Team's first joint venture), MOHCD marketing and lease-up staff identified several areas for improvement in the Sponsors' joint marketing and lease-up protocols. Specifically, staff recommended that:

- 1) MEDA and CCDC work on establishing better channels of communication between the two teams regarding key deadlines,
- 2) Each organization assign one lead from each organization to project manage the marketing and lease-up process, and
- 3) Ensure adequate staff is allocated for marketing and lease-up.

Regarding commercial space, Sponsors worked with Community Vision in the past to help fill vacancies and strategize around their commercial portfolio and may likely work with Community Vision on 1515 South Van Ness if necessary. After construction the commercial space will be managed by MEDA’s Asset Management group, which will handle lease up and operations.

2. SITE (See Attachment E for Site map with amenities)

Zoning:	NCT – Mission Street Neighborhood Commercial Transit  The Height & Bulk district zoning is 55-X and 65-X.
Maximum units allowed by current zoning (N/A if rehab):	The current 168-unit proposal is permitted by the State Density Bonus Program AB 2162 and is in the process of receiving waivers from the Planning Department for code requirements such as common open space, unit exposure (to light and air), and rear yard requirements.
Number of units added or removed (rehab only, if applicable):	N/A
Seismic (if applicable):	To be evaluated as part of grading and building code review. All buildings in San Francisco will be required to comply with Code seismic requirements.
Soil type:	Based on the Geotech Report for this Site provided by Langan Treadwell Rollo, dated 2015 states the soil condition is “ranged from layers of medium dense to very dense silty and clayey sand and stiff to very stiff clay, which was encountered to a maximum depth explored of approximately 31 feet below ground surface (bgs). The fill in the northern portion is judged to provide adequate support for a shallow foundation system, and the loose to medium dense sand and weak clay and silt fill in the historical stream channel under the southern portion of site is not capable of providing adequate support for a shallow foundation system in its current condition.”
Environmental Review:	Phase 1 Environmental Site Assessment (ESA) was completed in May 2014 and a Phase II ESA was completed November 28, 2022. Investigation revealed evidence of one controlled recognized environmental condition (CREC) in connection with the site. Residual petroleum hydrocarbons are present beneath the eastern portion of the former underground storage tank (UST). San Francisco Department of Public Health (SFDPH) issued administrative case closure with no additional investigation required in regard to the former UST on August 24, 2000. A soil management plan (SMP) and a health and safety (H&S) plan is being prepared by GeoBlue and will be reviewed by SFDPH prior to any construction and/or construction activities within the sidewalk near the former UST locations. In addition, this assessment revealed evidence of de minimis environmental conditions at the site of minor oil staining on the concrete floors within the warehouse area.  The Site is within the expanded Maher Ordinance Zone.
Adjacent uses (North):	2-story residential building
Adjacent uses (South):	1-story commercial building & 9-story residential building (affordable housing for seniors)
Adjacent uses (East):	4-story residential building

Adjacent uses (West):	2-story mixed-use building
Neighborhood Amenities within 0.5 miles:	<p><u>Grocery Stores</u></p> <ul style="list-style-type: none"> <li>• Grocery Outlet</li> </ul> <p><u>Schools</u></p> <ul style="list-style-type: none"> <li>• Hilltop High School</li> <li>• Cesar Chavez Elementary School</li> <li>• Leonard R. Flynn Elementary School</li> <li>• St. Anthony – Immaculate Conception School</li> </ul> <p><u>Places of Worship</u></p> <ul style="list-style-type: none"> <li>• St. Anthony of Padua Church</li> <li>• Iglesia de Dios</li> <li>• St. Peter’s Parish</li> </ul> <p><u>Healthcare</u></p> <ul style="list-style-type: none"> <li>• CPMC Mission-Bernal Campus Hospital</li> <li>• Bay West Family Healthcare</li> </ul>
Public Transportation within 0.5 miles:	24 <sup>th</sup> & Mission Street BART Station (.4 miles) Muni Lines: 12 and 67 are within half a block from the Site, lines 27 and 48 are within a quarter mile from the Site.
Article 34:	Not exempt. An updated application for the increase of units for Article 34 approval is pending and approval is expected by July 5, 2023.
Article 38:	Not Exempt. The Project is within the “Expanded Maher Area, February 2014” map and may be subject to the provisions of Health Code Article 22A which is administered by SFDPH
Accessibility:	TCAC and California Building Code (CBC) 11B requires 10% of total units to be accessible for mobility impaired and 4% of total units accessible for hearing and visually impaired. The building will meet this standard and feature 27 mobility units and 19 communication units.
Green Building:	Project will meet the minimum TCAC Green Building requirements and the City’s Green Building Code. While not required, Sponsors are also pursuing LEED Gold or higher certification.
Recycled Water:	Exempt. The property is not located in a designated recycled water use area.
Storm Water Management:	Applicable. The Storm Water Management (SWM) Ordinance is applicable to the Project and a SWM plan is being drafted with an estimated completion date of July 2023.

2.1. Description.

The Site is located at 1515 South Van Ness Avenue in San Francisco’s Mission District on the south side of 26<sup>th</sup> Street between South Van Ness and Shotwell Street. The Site is on an L-shaped parcel (block/lot) 6751/008 with an approximate area of 32,000 square feet. The Site is currently improved by a two-story concrete building over a basement (approximately 31,680 square feet), which was built in 1948, with adjacent asphalt paved parking areas to the east and south.

2.2. Zoning.

The Site is currently zoned NCT – Mission Street Neighborhood Commercial Transit (San Francisco Planning Code, Sec. 754). Residential density in the Mission NCT is restricted by physical envelope controls of height, bulk, setbacks, open space, exposure and other

applicable controls to the development lot. The Site is split between 65-X height and bulk district and 55-X height and bulk district.

The Project's increased height and density is eligible for approval using the State Density Bonus Program, which provides up to 35% additional density, up to three incentives/concessions and unlimited waivers. The Project is also eligible for approval under the Affordable Housing Density Bonus Program (AHBP), as long as the Project is compliant with all the objective standards of the Planning Code plus the allowable Zoning Modifications provided by the AHBP. AHBP also provides an ability to add three additional stories of height and form-based density, which enables three additional stories that currently feature 44 of the 168 proposed units

A Planning Department application utilizing State Law AB 2162 which streamlines certain supportive housing entitlement approval, is under review by Planning Staff. A letter confirming eligibility was issued on June 15, 2023, and final approval is estimated by July 5, 2023.

2.3. Probable Maximum Loss. N/A. New Construction.

2.4. Local/Federal Environmental Review.

The Project is exempt from CEQA Review, per the streamlining allowed by AB 2162. The Project is not expected to utilize federal funding sources that require review under the National Environmental Protection Act (NEPA); however, if the funding plan changes, a NEPA analysis could be required.

2.5. Environmental Issues.

- Phase I/II Site Assessment Status and Results. A Phase I Environmental Site Assessment by Langan Treadwell Rollo is dated May 27, 2014. A Phase II Environmental Site Assessment was prepared by Geo Blue Consulting and dated November 28, 2022. The Assessments revealed evidence of the one CREC in connection with the Site. Residual petroleum hydrocarbons are present beneath the eastern portion of the former underground storage tank (UST). In addition, the Assessment revealed evidence of de minimis environmental conditions at the Site of minor oil staining on the concrete floors within the warehouse area previously occupied by the Mindham Company, a truck and automotive repair facility.

The SFDPH-Environmental Health office requested that the previous property developer submit a Phase II Site Characterization and Work Plan as of January 6, 2016. The Site was previously on the Cortese list but removed in late 2022. The total GeoBlue Consulting contract cost is \$73,031.00. The contract scope includes the following tasks: Project coordination meetings, Phase I & II ESAs investigation and Maher Program Application, Phase II subsurface Investigation & Report, Professional Personnel & Equipment, Site Mitigation Plan drafting and implementation.

- Potential/Known Hazards.

Asbestos Containing Materials (ACMs) were observed on accessible areas of the building interior, exterior, and roofing. Sampled materials were confirmed to be positive

for asbestos content upon laboratory analysis. Samples of the painted surfaces and window putty were reported by the laboratory as containing lead above the detection limit of the analytical method. The Sponsor has indicated the costs to remediate are assumed within the overall construction budget.

## 2.6. Adjacent uses and neighborhood amenities.

The Project will be part of an intergenerational community integrated with Casa Adelante: 1296 Shotwell, which features 94 affordable apartments for seniors located next door to the south of the Project site. The closest family and children & youth centers available to serve the building's residents are Mission Neighborhood Center (362 Capp St.), Ruth's Table (580 Capp St.), Centro Latino de SF (1656 15<sup>th</sup> St.), and Mission Neighborhood Centers throughout the Mission District. Sutter Health CPMC's Mission Bernal campus hospital and Medical Offices (3555 Cesar Chavez) are within half a mile of the development. Attachment E includes a Site Map with additional amenities.

## 2.7. Green Building.

The Project is expected to meet the minimum TCAC Green Building Requirements and the City's Green Building Code. The Sponsor is also pursuing LEED Gold, or higher, certification.

## 3. COMMUNITY SUPPORT

MEDA and CCDC will continue to lead a robust community engagement process during all phases of the Project from design to leasing. The Community Engagement Plan for 1515 South Van Ness is focused on listening to historically marginalized and underserved populations in the Mission.

The 151SVN Community Engagement Plan was approved by MOHCD in January 2023.

### 3.1. Prior Outreach

The Sponsors bring deep experience with fostering community input into development and infrastructure projects. Alongside community partners and allies, the Sponsors have advocated for more affordable housing funding in the Mission, navigated community opposition (notably for Casa Adelante: 1296 Shotwell Street, the entitlement was on-time despite an appeal), and, through leasing efforts, affirmatively furthered fair housing for those who would have otherwise been excluded or underserved from the leasing process.

Historically, MEDA has engaged the Mission community through its service network, most recently in leading neighborhood response to Covid-19 related to provision of food, medicine and emergency services. MEDA is the lead agency for Mission Promise Neighborhood, a decade-long neighborhood initiative integrated with the public schools designed for student achievement and family success. MEDA is an anchor member of multiple Mission neighborhood and Latin-focused groups including the San Francisco Latino Parity and Equity Coalition (SFLPEC); United to Save the Mission; Our Mission, No Eviction; Latino Task Force, who supported the purchase of the site as 100% Affordable Housing. Prior to the RFQ submission, MEDA notified these groups of their application.

From these conversations, the Sponsors developed an initial set of stakeholders and community voices that will support or have concerns regarding the Project.

The Sponsors initially presented at Mission District Community Response meeting held on January 14, 2021, to inform the community stakeholders that MEDA and CCDC would submit a response to the 1515 South Van Ness RFQ. The Sponsors received support letters from over twenty Mission District organizations including Mission Neighborhood Center, Mission Neighborhood Health Center, Mission Cultural Center for Latino Art, Calle 24, Dolores Street Community Service and CARECEN SF.

Faith In Action, Dolores Street Community Services, CARECEN, Mission Neighborhood Centers, Calle 24 are immediately neighboring groups with active staff, members, and clients who will directly benefit from the Project. The Sponsors have engaged in community conversations regarding the future design and programming of the space. In March of 2023, the Sponsors held a focus meeting with Calle 24 Latino Cultural District and the project design team and shared how the Project will incorporate many of the design guidelines from the cultural district into the Project's proposed design. The team got positive comments from Calle 24.

For this Project, in addition to drawing from supporters in the neighboring organizations and the residents of Casa Adelante:1296 Shotwell, the Sponsors will center parents whose children attend local schools. MEDA held its second community meeting at one of the nearby schools with the support of MEDA's early care and school partners of Mission Promise Neighborhoods program.

In receiving entitlements for their proposal, the prior Owner of 1515 South Van Ness completed a public hearing process. At that time, the public was concerned that new development on this site would reduce Production, Distribution and Repair (PDR) zoning uses in the Mission district. However, this was mitigated by the relocation of the existing electrical contractor business to a site less than 1.5 miles from the Project site, which also allowed the business to expand. The initially proposed community-serving commercial uses included six trade shops for local artists and one corner retail store. MEDA will continue to conduct outreach to keep the community informed as the commercial space is being defined in the design process.

### 3.1.1. Sponsor Community Meetings

The Sponsor has held two community meetings to gather input from relevant stakeholders in the Mission. The initial Community Meeting was held in April 2022 both in person and virtually on Zoom. Combined over 80 neighborhood residents participated. The presentation covered the Project background, the Sponsor organizations, the design team, and an initial project concept.

The second Community Meeting was held in November 2022 at Cesar Chavez Elementary School. The meeting focused on a review of the updated residential design (including increased unit count as part of redesign) and community space programming. Interactive presentations allowed participants to provide input on community spaces,



public art, overall design, and commercial space programming. Another community meeting is proposed for late Summer or Fall 2023.

### 3.2. Future Outreach

Both MEDA and CCDC will continue to engage with Black, Indigenous, People of Color (BIPOC), and particularly Latinx, immigrant and Black/African-American households, so they are not only kept aware of the Project activities, but also have opportunities to be deeply and meaningfully involved in the Project's development engagement activities. The Sponsors firmly believe the inclusion of the community in the development phase creates a deeper understanding of the process that ultimately leads to an increase in applications from these traditionally marginalized communities.

### 3.3. 1998 Proposition I Citizens' Right-To-Know

The Sponsors posted the Proposition I sign in January 2023.

## 4. DEVELOPMENT PLAN

### 4.1. Site Control

The Site has been owned by the City since 2019.

#### 4.1.1. Proposed Property Ownership Structure

At construction closing, MOHCD will transfer the Site through a 75-year initial term ground lease agreement (with an option to extend up to 99-years) to Casa Adelante SVN Housing, LP. The City's execution of a long-term ground lease for the Site is subject to approval by the City's Board of Supervisors.

- Annual rent, which consists of Base Rent and Residual Rent, shall be set at 10% of the fair market appraised value, re-determined on the 15th anniversary date of ground lease and every 15 years thereafter.
- Payment shall consist of an annual Base Rent of \$1005,000, collected annually regardless of cash flow and considered a project expense.
- Residual Rent will only be due to the extent that cash flow is available and does not accrue otherwise.
- MOHCD will collect a mandatory administrative fee of \$15,000 per year. This is not allowed to be waived or forgiven.

This Ground Lease terms are different from previous MOHCD projects due to recent changes in the MHP application. MOHCD is hopeful that the Project could gain up to an additional 4 points due to these changes.

The Sponsors entered into an access agreement with the City on August 2, 2022, allowing the Project Team and associated members to enter the property while the

site is under City ownership. An Option to Ground Lease agreement has been drafted for Sponsor review and will also need to be executed between the City and Sponsors prior to submittal of the SuperNOFA (MHP) application.

#### 4.2. Proposed Design.

The Sponsor is tasked with maximizing density within a modern building that responds to its context while attracting residents and visitors alike. At 1515 SVN, the Sponsors seek to emphasize an intergenerational spatial connection between 1515 SVN and the adjacent building, 1296 Shotwell Street, a senior housing project co-developed by CCDC and MEDA. In addition to providing housing with a focus on intergenerational connection between properties, the 1515 SVN Project will offer two ground floor commercial spaces dedicated to an Early Childhood Education Center (ECEC) and another separate community serving space. While internal physical connection to 1296 Shotwell Street may be afforded through lockable gates, each housing development will provide community-specific dedicated community spaces and supportive services.

The proposed residential design includes 9 stories of Type IA construction with 168 units comprising of studios, one-, two- and three-bedroom units on Levels 2-9. The main residential entry will be located at the corner of South Van Ness Avenue and 26<sup>th</sup> Street, while the ECEC and community serving operators are located on Shotwell Street and South Van Ness Avenue respectively.

The ground floor will host the residential services offices, the community room for building events, service and gatherings, computer lab to accelerate digital access and skills, a free co-working space to accommodate remote work by residents and learning, a laundry room, bike room, and large courtyard. The ECEC classrooms and offices and community serving operator are located on this level as well. Two laundry facilities will be located on the ground floor and 9<sup>th</sup> floor, and two bicycle storage spaces will be provided at the ground floor and basement level.

For open space, residents will have access to a large courtyard at the ground level, outdoor play spaces for children and a 9<sup>th</sup> floor roof deck with views, solar arrays, and space for urban gardening.

The building will also feature a secure lobby managed by a 24/7 desk clerk, on-site property management and resident services.

The Project achieved 100% Schematic Design (SD) in mid-May 2023 and in mid-July 2023, will be at 50% DD.

All residential units need to be “adaptable” (11A Units) and 15% need to be mobility/accessible and have an accessible path of travel. A mobility unit’s bathroom requires an equivalent 5 feet turning diameter and their kitchen requires clearances/approaches to appliances and a 30” minimum work surface. Most of MOHCD’s other projects exceed the TCAC minimums and for 1515 South Van

Ness, square footages average 640 SF for 1BR, 910 SF for 2BR and 1,105 SF for 3BR.

<b><u>Avg Unit SF by Type:</u></b>	Studio avg sf - 405 1 BR avg sf - 640 2 BR avg sf - 910 3 BR avg sf - 1105		
<b><u>Do all units meet CTCAC minimum SF?</u></b>	Yes, all units meet the CTCAC minimum SF.		
	<b><u>Unit Type</u></b>	<b><u>TCAC Minimum SF as written in 6/16/2021 Regulations</u></b>	<b><u>1515SVN proposed unit type percentage greater than TCAC minimums</u></b>
	<b>Studios</b>	200	202%
	<b>1-BDR</b>	450	142%
	<b>2-BDR</b>	700	130%
<b>3-BDR</b>	900	122%	
<b><u>Residential SF:</u></b>	~189,111 sf		
<b><u>Commercial SF:</u></b>	~8,143 sf		
<b><u>Building Total SF:</u></b>	~200,197 sf		

**4.3. Construction Supervisor/Construction Representative's Evaluation**

1515 South Van Ness' 100% Schematic Design drawings were recently completed for a 9-story affordable family housing building featuring 168 units. The following are areas of concern:

The initial Construction Cost Estimate is currently \$140 million, with bid/plan-check/design/escalation and hard cost contingencies, at a scale of 200,197 square feet, which works out to be \$700/square foot. Since the Project has not solicited bids, there is a concern that there may be subsequent significant cost increases when building systems and details/specifications are incorporated and priced out months later with escalating costs. Therefore, value-engineering, noted as a loan condition, will be an on-going requirement to keep the Project within budget and as close as feasible to the target MOHCD subsidy per unit.

The 100% SD Cost Estimate from the joint-venture General Contractor team of Guzman and Marinship assumes an escalation would be reduced to ½ year (from June to December 2023); however, the Guzman and Marinship 100% SD Cost Estimate also contains language that recommends that the Sponsors and MOHCD assume a higher escalation at 6% and a higher design contingency between 8% to 10%, which could result in overall construction costs of \$146MM to \$149MM.

The Site has a significant height differential of over 8 feet along its street frontages at South Van Ness Avenue, 26<sup>th</sup> Street and Shotwell Street. Manipulating grades and ensuring disabled access will be needed.

Due to this height differential, a portion of the lowest level will be below-grade and this, in turn, will require the residential entry lobby to be raised two feet above 26<sup>th</sup> Street with a corresponding entry ramp. While a non-raised residential entry lobby may be appropriate, the lower level's floor-to-floor height would need to be lowered from 14 feet to 12 feet and the Sponsor has decided to proceed with the raised residential entry lobby. MOHCD has requested the Sponsor receive written confirmation from the San Francisco Department of Building Inspection (DBI) that the raised residential entry lobby will be acceptable, and this item remains outstanding, given that the jurisdiction on accessibility issues has changed from Mayors Office on Disability to DBI, the Sponsor needs to contact the DBI plan-checker to verify accessibility issues, clearances and dispersion of mobility and communication units.

The Architects (David Baker Architects and Y. A. Studio) have initially proposed angled walls at the exterior building envelope. Further study will be required to verify that furnishings will be compatible with these angled walls. An analysis of possible associated costs is pending.

Two transformer vaults and one electrical interrupter vault are proposed to be located on and above the South Van Ness Avenue sidewalk, as per previous agreement between MOHCD and DPW. Currently, DPW is not readily approving this direction and the transformer may need to be accommodated within the property, necessitating significant changes to the 100% SD drawings. The Sponsor and MOHCD will continue to evaluate opportunities to minimize on-site or above sidewalk impacts, including below sidewalk vaults.

In addition, at 26<sup>th</sup> Street, existing overhead power lines need to be "alley-armed" (extended further away from 1515 South Van Ness' property line) to facilitate the new construction and scaffolding. This scope is dependent on PG&E's work crew schedule and hopefully, will be completed months prior to construction start in Fall 2024. Lastly, the current timeframe for main electrical switchgear procurement exceeds one year due to supply chain issues and is expected to be an issue as well for 1515 South Van Ness Avenue.

Another significant driver in construction cost is the lower overall unit count due to a higher portion (72%) of the building featuring two bedroom and three-bedroom units, as part of a goal by Sponsors, with MOHCD support, to create larger family units. By way of comparison, The La Fenix building, located approximately 1.3 miles away, at 1950 Mission Street, was completed in 2020 with cost (without land cost included) of \$802,588 per unit, and features 155 units for families (including 40 units for families experiencing homelessness), with 56% of the units as two bedroom and three bedrooms and the remainder as studios and one-bedroom units.

#### 4.4. Commercial Space.

The Sponsors are working to design a space that balances the needs articulated in Community Meetings with the needs of the ECEC space, and City priorities and underwriting guidelines. Community input has been gathered through individual meetings with Mission based community organizations as well as through the Sponsor's community meetings.

Due to the size of the commercial space, and per MOHCD Commercial Underwriting Guidelines, MOHCD has also requested that the Sponsors assume and plan for subdivision of the commercial spaces as two separate parcels. This will allow the subsequent operators the opportunity to purchase cold and warm shell improvements, thereby reducing the overall MOHCD ask by the Sponsor. MOHCD staff is aware of a commercial space ownership preference by a number of Mission-serving community organizations.

- Space Description. The Commercial Spaces at 1515 South Van Ness are being designed to serve the surrounding neighborhood. The building will contain approximately 8,135 sq ft in two distinct spaces. A commercial space of approximately 2,534 sq ft is anticipated to be occupied by a community serving operator, per MOHCD Commercial Underwriting Guidelines, published March 3, 2023, in order for the warm shell to be included in the Project budget. The other commercial space is designed as an Early Childhood Education Center (ECEC) to support the families within in the building and surrounding community. The ECEC is currently contemplated at 5,601 sq ft., as well as 2,625 sq ft of dedicated outdoor space. For both spaces, an operator has not been selected. A condition of approval will require a MOHCD approved Request for Proposal (RFP) for each commercial space will be issued after the MHP application is submitted, and before the end of September 2023.
- Commercial Plan. A commercial plan has not been provided by the Sponsors, though it was required as a condition of the predevelopment loan. MOHCD is requiring, as a condition of approval, a Commercial Plan and MOHCD approval before both RFPs are published this summer. Sponsors will also be required to provide an executed Letter of Intent (LOI) with commercial operators, a commercial development budget, and a tenant improvement proforma for MOHCD review and approval, prior to final gap funding request.
- Operating Pro Forma. The pro forma does not assume income from the commercial spaces, which are expected to be community serving. Pursuant to the MOHCD Commercial Space Underwriting Guidelines the Sponsor will develop the space to the Warm Shell standard, assuming this. Community serving operators. If the commercial operators intend to purchase the improvements, the only costs beyond cold and warm shell construction costs for the operators, will be for a commercial ground lease

with MOHCD and Common Area Maintenance (CAM) costs to the Sponsor. In the event the operators prefer to rent the commercial space, rents will be determined based on the operator's financial ability, plus CAM charges. In all cases, the commercial operator is responsible for all tenant improvements, final furnishings and operations.

In the event a for-profit entity occupies a commercial space, any associated market rents or similar would be utilized to accelerate repayment of MOHCD loans in accordance with MOHCD underwriting guidelines. In addition, costs associated for warm shell improvements (beyond cold shell costs established as a baseline) would need to be repaid to MOHCD.

- Service Space.

Services will be provided by CCDC, with MEDA providing additional resident enrichment as described in Section 8.6. The Project will have three offices within the Residential Services Suite. Two offices will be dedicated to Intensive Case Management staff working with the formerly homeless households, and one office will be dedicated to Resident Service Coordinators working with families and the Plus Housing households.

#### 4.5. Interim Use.

Currently, a Safe Sleeping Village (SSV), which provides a safe space with 24/7 support services for unhoused individuals, operates at the Site. The SSV was one of the emergency programs opened by the City in response to the COVID-19 pandemic in 2020. On June 24, 2020, MOHCD and the HSH entered into a Memorandum of Understanding (MOU) for the SSV during the interim planning period for the Project. The Sponsors will take possession of the Site via a ground lease with MOHCD at the time of construction commencement in 2024. Until then, the SSV is expected to remain in operation as long as the Site is available for interim use, subject to budget appropriations. All interim uses will be managed by the City and any closure, remediation or relocation costs will be borne by other City agencies, such as HSH.

#### 4.6. Communications Wiring and Internet Access.

The Site will utilize the City's fiber network to provide free broadband to unit residents, and in a portion of common areas. The Department of Technology has confirmed the site can be served by adjacent fiber networks.

#### 4.7. Public Art Component.

The Project’s public art requirement calculation is 1% of expected construction costs multiplied by the percentage of the Project funded by the City. The Project will allocate **\$272,683** in the development budget towards public art.

MOHCD Estimated Committed	\$32,816,030
TDC	\$102,561,938
Hard Cost Total	\$85,240,061
<b>Public Art Requirement Calculation</b>	
1%	1%
Construction Cost	\$85,240,061
Percent funded by MOHCD (MOHCD Committed / TDC)	31.99%
<b>Public Art Requirement</b>	<b>\$272,683</b>

#### Marketing, Occupancy, and Lease-Up

Marketing shall be focused on individuals and families subject to the City’s Preference requirements for Affordable Housing. For the 42 units reserved and subsidized through LOSP for families experiencing homelessness, referrals will occur through the HSH Coordinated Entry System. For the 5 Plus unit referrals will occur through MOHCD for eligible HIV positive households with AMIs of 50% or below.

MOHCD’s marketing policies and procedures will be applied to all units except the one on-site manager’s unit, and the LOSP and Plus supported units. The following preferences will apply to the 120 general affordable lottery units:

MOHCD Preference	Applicant Category
1	Certificate of Preference (COP) Holders
2	Displaced Tenants Housing Preference (DTHP) Certificate Holders (20% of the 120 lottery units; 24 units total)
3	Neighborhood Resident Housing Preference (NRHP) (25% of the 120 lottery units; 30 units total)
4	Live/Work in San Francisco
5	All Others

As a loan condition, Sponsor must provide initial draft marketing plan within 12 months of anticipated TCO, outlining the affirmative steps to be taken to market the Project to the City’s preference program participants, including COP Holders, Displaced Tenants, and

Neighborhood Residents, as well as how the marketing is consistent with the Mayor’s Racial Equity statement and promotion of positive outcomes for African American San Franciscans.

In addition, Sponsor must demonstrate that rents for the 120 general affordable units are at or below 10% of fair market rents.

4.8. Relocation. The term of the interim use expires on March 31, 2024, and will not result in any relocation expenses to the Project. In the event the Safe Sleeping Village needs to be relocated or removed, those costs will be borne by HSH.

## 5. DEVELOPMENT TEAM

Development Team			
Consultant Type	Name	SBE/ LBE	Outstanding Procurement Issues
Architect	David Baker Architects & Y.A. Studio (Joint Venture)	Y	N
Landscape Architect	GLS	Y	N
Environmental	Geo Blue Consulting	Y	N
Surveyor	Luk & Associates	Y	N
Geotechnical	Langan & Divis Consulting	Y	N
Dry Utilities/Joint Trench	Urban Design Consulting Engineers (UDCE)	Y	N
Special Inspections and Testing	Applied Materials & Engineering (AME)	Y	N
Market Study	Newport Realty Advisors	Y	N
Mechanical, Engineering & Plumbing/Title 24	Engineering 350 (E350)	Y	N
Civil	Carlile Macy	Y	N
Structural	KPFF & Ryan Joyce Structural Design (RJSD)	Y	N
Acoustical	CSDA Design Group	Y	N
Green Point Rater, Energy Analysis	Bright Green Strategies	Y	N
Waterproofing	Steelhead	Y	N
Specifications	Vivian Volz Architectural Specifications (VVAS)	Y	N
OSHA/OPOS Exterior Building Maintenance System Design	Scaffolding Inspection & Testing Co (Sitco)	N	N
General Contractor	Guzman Construction Group and Marinship (Joint Venture)	Y	N
Owner’s Rep/Construction Manager	Armando Vasquez	Y	N
Financial Consultant	California Housing Partnership (CHPC)	N	N
Legal	Gubb & Barshay	N	N



Property Manager	CCDC	N	N
Services Provider	CCDC	N	N
Land Use Attorney	Perkins Coie	N	N

5.1. Procurement Plan.

The Project team has involved the Contracts Management Division (CMD) in the Project’s consultant procurement process for the Owner’s Representative, Architectural services, Professional services and General Contractor, which were released to CMD on September 8, 2021, October 5th, 2021, March 21, 2022, and May 16, 2022, respectively. CMD established a 25% SBE participation goal for Professional, Engineering and Architectural Services on this Project.

There are no procurement issues at this time. CMD has approved the selection of Guzman Construction and Marinship as the General Contractors for the Project and has provided the goal of 20% L/SBE participation. The Sponsors will work with the General Contractor to ensure this goal is met. Preliminary calculations by Sponsor show them to have exceeded the 20% L/SBE participation goal and are at 91% SBE participation for owner and architect participation.

5.2. Opportunities for BIPOC-Led Organizations.

The Sponsors are working to prioritize creating opportunities for growth of smaller and Black, Brown, Indigenous and other people of color, (BIPOC)-led organizations in development role or as members of the development team. For construction and design opportunities, the Sponsors have added scoring for BIPOC- led organizations to the qualifications and proposal processes.

The owner’s representative, design and general contractor teams selected for this Project are led by people of color. Adding the previously noted BIPOC scoring mechanism, allowed the team to onboard a significant number of BIPOC-owned SBEs to provide consulting services of various scopes.

6. FINANCING PLAN (See Attachment F for Cost Comparison of City Investment in Other Housing Developments; See Attachment G and H for Sources and Uses)

6.1. Prior MOHCD/OCII Funding:

Predevelopment Sources	Amount	Per Unit	Terms	Status
MOHCD/OCII	\$4,000,000	\$23,810	57 yrs @ 3% RR	Committed \$734,818.57 disbursed as of June 30, 2023
<b>Total</b>	<b>\$4,000,000</b>	<b>\$23,810</b>		

6.2. Disbursement Status. The Sponsors have incurred costs dating back to July 1, 2021. Sponsors have drawn \$734,818.57 to date and \$3,265,181.43 remains available as of June 30, 2023.

6.3. Fulfillment of Loan Conditions. Below is the status of Loan Conditions since this project was last at Loan Committee for Predevelopment approval on December 3, 2021.

Condition	Status
<i>Prior to initial predevelopment disbursement:</i>	
Sponsors must provide evidence of Limited Partnership formation.	Completed.
Sponsors must provide evidence of Prop I sign posting.	Completed (January 2023).
Sponsors must revise their MOU to assign all project accountant, fiscal agent, and asset management responsibilities to CCDC until the development pause is lifted and no earlier than the beginning of the following calendar year (January 2023).	Completed.
<i>Prior to initial predevelopment disbursement:</i>	
Sponsors must provide MOHCD with detailed monthly updates via the MOH Monthly Project Update, including on: Community outreach completed, Outcomes achieved related to racial equity goals, and Commercial-use programming.	Ongoing.
Sponsors must work with MOHCD staff to determine the appropriate services for the Plus Housing units and if applicable, the source to pay for the service program.	Satisfied. Plus Housing are supported by on-site supportive services and existing off-site providers typically referred by SF DPH, HSH, and MOHCD.
Sponsors must provide MOHCD with a services plan and proposed staffing levels that meet MOHCD underwriting standards prior to gap loan approval. Any changes to the current proposed staffing will need to be presented to MOHCD at least 90 days prior to gap loan approval (estimated January 2023, prior to the 2023 HCD NoFA).	In Progress. HSH has conceptually agreed to the services budget and expects to finalize approval by July 7, 2023.
Sponsor must work with MOHCD staff and Project's General Contractor to Value Engineer	On going.

construction budget with the goal of reducing construction costs to \$600 PSF inclusive of contractor contingency, bid contingency and escalation to start of construction.	100% SD Expect 50% DD by mid July 2023. Construction bids are expected.
<i>By April 30, 2022:</i>	
Sponsors must work with MOHCD staff to revise unit mix to establish competitiveness for MHP and CDLAC/TCAC financing and establish appropriate mix of units for Coordinated Entry referrals in collaboration with HSH.	Satisfied.
Sponsors must provide MOHCD with information outlining cost containment, efficiencies and innovation strategies to reduce overall project costs and maximize efficiency of MOHCD gap loans.	On going.
Sponsors must provide Commercial Space Plan to MOHCD no less than 90 days prior to Loan Committee date for gap loan, including outcomes achieved related to racial equity goals.	Incomplete. No Commercial Space Plan provided in timely manner. Sponsor is required to provide this as soon as MHP application is submitted and no earlier than publication of the commercial RFQs.
<i>Prior to Gap Loan Request:</i>	
Sponsors must identify and explore use of additional non-City sources of funds, such as FHLB AHP and HCD's Infrastructure Infill Grant programs.	In Progress. The Sponsor chose to pursue an increased MHP award and increase private permanent debt.
Sponsors must provide operating and development budgets that meet MOHCD Underwriting Guidelines and MOHCD Commercial Space Underwriting Guidelines.	In Progress.
Sponsors must provide signed LOI/s from commercial tenants prior to MOHCD's gap loan closing.	In Progress.. Sponsor has not identified commercial operator. MOHCD staff will review and approve a commercial plan and RFPs for each commercial space through predevelopment.

<p>Sponsors to work with MOHCD and HSH to establish the LOSP budget and income restrictions for the referrals from Coordinated Entry.</p>	<p>In Progress and to be finalized by end of July 2023. by</p>
<p>Sponsors must: a) provide for MOHCD review of the Request for Proposals (RFP) for equity investors and lenders before it is finalized and distributed; b) provide for MOHCD review of all raw financial data from developer or financial consultant prior to selection; c) provide for MOHCD review and approval of all selected investors and lenders; and, d) provide for MOHCD review and approval of all Letters of Intent from financial partners.</p>	<p>In Progress. Will be provided after CDLAC/TCAC approval.</p>
<p>Sponsors must submit an updated 1<sup>st</sup> year operating budget and 20-year cash flow – if any changes have occurred – by November 1<sup>st</sup> before the year the Project will achieve TCO so that MOHCD may request the LOSP subsidy.</p>	<p>In Progress. TCO not expected until 2025-2026.</p>
<p><i>Prior to Marketing and Lease-up:</i></p>	
<p>Sponsors must provide initial draft marketing plan within 12 months of anticipated TCO, outlining the affirmative steps they will take to market the project to the City’s preference program participants, including COP Holders, Displaced Tenants, and Neighborhood Residents, as well as how the marketing is consistent with the Mayor’s Racial Equity statement and promotion of positive outcomes for African American San Franciscans.</p>	<p>To be completed. Not yet required and not provided by Sponsors.</p>
<p>Sponsors must create more structure around marketing meetings leading up to the lease up process, which includes identifying clear roles and responsibilities and preparing meeting agendas outlining clear next steps.</p>	<p>To be completed. Not yet required and not completed by Sponsors.</p>
<p>Sponsor must provide quarterly updated response to any letters requesting corrective action. For both, this should include a detailed</p>	<p>To be completed. Not yet required of Sponsors.</p>

plan for capacity to achieve improved communication with Project partner.	
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#### 6.4. Predevelopment Financing

##### 6.4.1. Predevelopment Sources Evaluation Narrative

The \$4,000,000 predevelopment budget was sized to take the Project through construction loan closing and was based on a Project that featured 122 units instead of the 168 units currently proposed. The Sponsor has noted that in the event the financing challenges noted in the primary development issues section are not resolved, and there is a delay to receiving State financing, after 2024, the current predevelopment budget may not be sufficient.

##### Potential Proposed Permanent Financing.

The Sponsor proposed a mix of sources as shown in Section 7.2.1 below.

##### 6.4.2. Permanent Sources Evaluation Narrative: The

Borrower proposes to use the following sources for permanent financing of the project:

- MOHCD Loan: \$46,360,000, 57 years, 3.00% simple interest, residual receipts, City subsidy of \$270,000 per unit. This amount includes a short term \$1 million MOHCD FHLB AHP Bridge loan.
- Private Permanent Loan: \$4,910,000, 15 years, 6.16% interest.
- AHP: \$1,000,000, 15 years.
- Current scoring is 69.20. Per AHP 2023, which was announced in early June 2023, the last qualifying project received a score of 66.5 points. If no changes are made to the AHP Implementation Plan, it is predicted that the Sponsor will be successful for a 2024 AHP application.
- 4% Tax Credit Equity (\$77,188,918): \$0.97 tax credit equity pricing estimate. In the event that the Sponsor obtains better pricing, MOHCD debt will decrease.
- MHP Loan: \$37,930,397, 3% simple interest, 55 years, annual payment \$159,308. The MHP loan was increased during predevelopment due to an increase in private permanent debt and a concern that a \$1.6MM Infill Infrastructure Grant application may limit competitiveness for MHP based on HCD rules requiring both programs to be awarded in order to receive either.

MOHCD staff has requested that the Sponsors confirm that neither Sponsor is subject to “negative points” as it relates to scoring of the Summer 2023 SuperNOFA round with HCD. A pre-compliance check was completed by HCD on June 28, 2023 and HCD confirmed that as of June 28, 2023, there are no outstanding reports or payments due for any of CCDC’s HCD contracts and therefore is not subject to negative points. However, full confirmation of no negative points for CCDC has not been confirmed as of June 30, 2023. MEDA has obtained concurrent confirmation from HCD that it is not subject to negative points.

- Deferred Developer Fee: \$400,000  
(paid between Years 1 through Year 5).
- General Partner Equity: \$500,000.
- Accrued Interest (MOHCD Loan): \$630,998
- Construction Loan: \$84,598,312; While not a permanent source, the construction loan terms are 7.56% interest rate for 33 months. The interest rate is based on other projects in MOHCD pipeline that have closed. The development budget carries \$14,039,678 in construction period interest. Improved rates will reduce the overall cost to the Project.

Construction Loan Taxable tail is projected to be \$26,408,586..

**6.5.2 CDLAC Tax-Exempt Bond Application:**

<b>CDLAC Self-Score</b>		
Opportunity Map Resource Level	Low Resource Area (2023)	
TCAC Housing Type (new construction only)	Large Family	
Bond Allocation Request Amount	\$84,598,312	
Total Self-Score (out of 120 points)	119 out of 120	
Tiebreaker Score		Estimated 17.69 (subject to future CDLAC guidelines).

Pending a successful MHP application that is announced by January 2024, the Project will then apply to CDLAC-TCAC in Round 1 of 2024. Currently, the Project scores 119 out of 120 total points (subject to future CDLAC guidelines), with a tiebreaker to be determined. The Project will be competing in the ELI/VLI set-aside within the New Construction pool and the Bay Area’s geographic set-aside, along with several others.

Even with two opportunities to compete in the New Construction set-asides – ELI/VLI and Bay Area regional pool, the Project’s tiebreaker score is likely not competitive for an allocation in either pool because Bay Area projects are disadvantaged by higher development costs. Sponsors reduced the general partner equity contribution to \$500,000 established as minimum in MOHCD’s previous Developer Fee Policy.

6.5.3 HOME Funds Narrative: N/A.

6.5.4 Commercial Space Sources and Uses Narrative:

As noted above in Section 4.4, the proposed development features two distinct commercial spaces, with one expected to be an ECEC and the other likely to be a community-serving entity. Both spaces will be built to cold and warm shell standards with an estimated construction cost of \$1,731,437 for cold and warm shell build out, and overall hard construction costs of \$2,209,619. These warm shell costs do not include full build out of the outdoor playground serving the ECEC. Warm shell construction costs are included in the overall development budget and the overall developer fee of \$3,145,100 includes a \$45,100 commercial developer fee. Both the construction budget and developer fee follow applicable MOHCD Underwriting Standards. In order to achieve efficiencies in construction, MOHCD staff has directed the Sponsor to consider the orientation of bathrooms and kitchens typically expected in an ECEC so that supporting infrastructure, such as below floor “rough-in” plumbing, can be incorporated to the extent allowed by the Warm Shell standard found in the MOHCD Commercial Space Underwriting Guidelines.

As noted above in section 4.4, due to the size of the commercial space, and per MOHCD Commercial Underwriting Guidelines, MOHCD has also requested that the Sponsors assume and plan for subdivision of the commercial spaces as two separate airspace parcels. This will allow the subsequent operators the opportunity to purchase cold and warm shell improvements. If the operators elect to purchase those improvements, those funds will be used to reduce the MOHCD loan.

6.4.3. Permanent Uses Evaluation: The proposed budget falls complies with the majority of underwriting standards as shown in the table below.

<b>Development Budget</b>		
<b>Underwriting Standard</b>	<b>Meets Standard? (Y/N)</b>	<b>Notes</b>
Hard Cost per unit is within standards	N	\$803,23210,059/unit is 204% higher than MOHCD portfolio for new construction. The Project is designed for Families and features higher bedroom counts than average, with 72% of units as two bedroom and three bedrooms. These factors along with overall high construction costs result in hard costs per unit that are well above average, but not the highest in the current development pipeline.
Construction Hard Cost Contingency is at least 5% (new construction) or 15% (rehab)	Y	Hard Cost Contingency is 5% and escalation rate is 6% Plan Check: 3% Bid: 3.2% Design: 3.2%
Architecture and Engineering Fees are within standards	Y	While no official standard exists, the current proposal appears consistent with A&E fees for Projects of this size.
Construction Management Fees are within standards	Y	Construction Management Fee: \$132,000
Developer Fee is within standards, see also disbursement chart below	Y	Project management fee: \$1,100,000 At risk fee: \$1,100,000 GP equity: \$500,000 Deferred fee: \$400,000 Commercial fee: \$45,100 Total fee: \$3,145,100
Consultant and legal fees are reasonable	Y	Overall consultant and legal fees appear average based on Project unit count.
Entitlement fees are accurately estimated	Y	Entitlement fees appear accurate.
Construction Loan interest is appropriately sized	Y	Estimated construction loan terms assume a 84,598,312 loan for 33 months at 7.56%
Soft Cost Contingency is 10% per standards	N	Soft Cost Contingency is 6.7%. Staff recommends revisiting this item at final gap.
Capitalized Operating Reserves are a minimum of 3 months	Y	,Capitalized Operating Reserve of \$739,645 is equal to 3 months



6.5.5 Developer Fee Evaluation: The proposed developer fee structure conforms to MOHCD developer fee policies. The milestones for the payment of the developer fee to the sponsor are specified below.

<b>Total Developer Fee:</b>	\$3,145,100	
Project Management Fee:	\$1,100,000	
Project Management Fee Paid to Date:	\$275,000	
Cash Amount of Remaining Project Management Fee:	\$825,000	
Amount of Fee at Risk (the "At Risk Fee"):	\$1,100,000	
Amount of Commercial Space Developer Fee (the "Commercial Fee"):	\$45,100	
Amount of Fee Deferred (the "Deferred Fee"):	\$400,000	
Amount of General Partner Equity Contribution (the "GP Equity"):	\$500,000	
<b>Milestones for Disbursement of that portion of Developer Fee remaining and payable for Project Management Fee:</b>	<b>Amount Paid at Milestone</b>	<b>Percentage Project Management Fee</b>
Predevelopment	\$165,000	15%
Close of Predevelopment Financing	\$165,000	15%
Submission of HCD funding application	\$110,000	10%
Submission of joint CDLAC & TCAC applications	\$110,000	10%
At Construction Closing	\$220,000	20%
During Construction	\$220,000	20%
Project Close Out	\$110,000	10%
<b>Milestones for Disbursement of that portion of Developer Fee defined as At Risk Fee</b>		<b>Percentage At Risk Fee</b>
95% lease up and draft cost certification	\$220,000	20%
Permanent conversion	\$550,000	50%
Project close-out	\$330,000	30%
<b>Milestones for Disbursement of that portion of Developer Fee defined as Commercial Fee</b>		<b>Percentage Commercial Fee</b>
At completion of condominium subdivision mapping	\$11,275	25%
Executed LOI with Commercial Tenants	\$11,275	25%
Executed lease with Commercial Tenants	\$11,275	25%
Occupancy by commercial tenant provider	\$11,275	25%

7. PROJECT OPERATIONS (See Attachment I and J for Operating Budget and Proforma)

7.1. Annual Operating Budget.

Operating expenses are almost entirely pro-rated between 25% LOSP (42 units) and 75% non-LOSP units (120 general affordable, 5 PLUS and 1 Manager’s unit) except full time front desk staff (4.6 FTE) salaries and benefits which are pro-rated 75% toward LOSP unit operating costs, consistent with MOHCD and HSH practice. In addition, a 75% portion of the \$20,000 (Year 1 subject to 3.5% annual escalation) annual security guard contract, for a security guard that would be on call at various MEDA operated sites in the Mission District, would also be pro-rated 75% towards LOSP. This pro-ration is considered acceptable given the increased demand for front desk and property operations services typically involved in supportive housing sites.

7.2. Annual Operating Expenses Evaluation.

Operating Proforma		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Debt Service Coverage Ratio is minimum 1.15:1 in Year 1 and stays above 1:1 through Year 17	Y	DSCR is at 1.15 in Year 1 and is 1.129 in Year 17.
<i>For TCAC projects:</i> Vacancy rate meets TCAC Standards	Y	Vacancy rate is 5%
Annual Income Growth is increased at 2.5% per year or 1% for LOSP tenant rents	Y	Income escalation factor is 2.5% for 120 General Affordable and 5 PLUS units with 1% escalation for 42 LOSP units
Annual Operating Expenses are increased at 3.5% per year	Y	Expenses escalation factor is 3.5%
Base year operating expenses per unit are reasonable per comparables	Y	Total Operating Expenses are \$13,214 per unit, which is below an average of \$14,400 for similar sized new multi-family developments without a senior component and between 130 to 200 units.
Property Management Fee is at allowable HUD Maximum	Y	Total Property Management Fee is \$137,088 or \$68 PUPM
Property Management staffing level is reasonable per comparables	Y	Proposed staffing (12.6 FTE): 1.0 FTE Property Manager (PM) 2.0 FTE Assistant PM 4.6 FTE Front Desk Coverage 1.0 FTE Maintenance Supervisor 2.0 FTE Maintenance Tech

		2.0 FTE Janitor (contract) + \$20K for on call security contract The proposed staffing appears reasonable given the higher proportion of family units with larger household sizes, and an increased portion of two bedroom and three bedroom units as compared to similar MOHCD New Construction Projects.
Asset Management and Partnership Management Fees meet standards	Y	Annual AM Fee is \$24,280/yr Annual PM Fee is \$24,270/yr Combined limit is \$48,550
Replacement Reserve Deposits meet or exceed TCAC minimum standards	Y	Replacement Reserves are \$84,000 per unit per year (\$500 PUPY per HCD)
Limited Partnership Asset Management Fee meets standards	Y	\$5,000/yr with no escalation

As noted above in section 4.4, the Sponsor is not showing any commercial income at this time. The Sponsor is required to provide a Commercial Plan to determine income feasibility and rents. Upon approval of the commercial operator, and before CDLAC and TCAC applications are due, the Sponsor will provide an updated budget. Regardless of any rental income received, commercial operators will be responsible for common area maintenance (CAM) costs.

7.3. Income Restrictions for All Sources.

The chart below shows applicable unit income restrictions by unit type. Restrictions associated with State financing (TCAC/MHP/IIG) would be the most restrictive based on unit affordability restrictions as proposed by the Sponsor, within State financing applications (2023 SuperNOFA and 2024 CDLAC/TCAC). The MOHCD AMI equivalent in the chart is shown for informational purposes.

While the original RFQ for this Project Site sought a range of AMIs up to 80% MOHCD AMI, and the predevelopment application featured 18 units (split between two bedroom and three bedroom units) at 80% MOHCD AMI; the Sponsors proposed 9 two-bedroom units be restricted to 60% TCAC AMI (equivalent to 77% MOHCD AMI), and 9 three-bedroom units be restricted to 60% TCAC AMI (equivalent to 80% MOHCD AMI), citing a need to remain competitive for State financing by not exceeding 60% TCAC AMI.

In addition, HSH has observed challenges with restricting PSH units for Families to 25% MOHCD AMI, especially for two bedroom and three bedroom units, as some families experiencing homelessness have incomes exceeding the 25% income AMI threshold. In the event the Project does not receive competitive State MHP funding, a condition has been added to this loan to require the Sponsor potentially increase AMIs for two bedroom and three bedroom LOSP units currently set at 25% MOHCD AMI to at least 30% MOHCD AMI.

<b>UNIT SIZE</b>		<b>MAXIMUM INCOME LEVEL</b>	
<b>NON-LOTTERY</b>	<b>No. of Units</b>	<b>TCAC (&amp; HCD MHP) Restriction</b>	<b>Approximate MOHCD Equivalent of TCAC Restriction (for information purposes)</b>
1 BR – LOSP	16	20% TCAC AMI	25% MOHCD AMI
2 BR – LOSP	11	20% TCAC AMI	25% MOHCD AMI
3 BR – LOSP	13	20% TCAC AMI	25% MOHCD AMI
<b>Sub-Total</b>	<b>40</b>		
2 BR – LOSP	1	30% TCAC AMI	40% MOHCD AMI
3 BR – LOSP	1	30% TCAC AMI	40% MOHCD AMI
<b>Sub-Total</b>	<b>2</b>		
Studio – Plus Housing	2	50% TCAC AMI	50% MOHCD AMI
1 BR – Plus Housing	2	50% TCAC AMI	50% MOHCD AMI
2 BR – Plus Housing	1	50% TCAC AMI	50% MOHCD AMI
<b>Sub-Total</b>	<b>5</b>		
<b>LOTTERY</b>			
Studio	13	30% TCAC AMI	30% MOHCD AMI
1 BR	4	30% TCAC AMI	30% MOHCD AMI
1 BR	10	40% TCAC AMI	40% MOHCD AMI
<b>Sub-Total</b>	<b>27</b>		
2 BR	15	50% TCAC AMI	50% MOHCD AMI
2 BR	39	50% TCAC AMI	60% MOHCD AMI
2 BR	9	60% TCAC AMI	80% MOHCD AMI
<b>Sub-Total</b>	<b>63</b>		
3 BR	15	50% TCAC AMI	50% MOHCD AMI
3 BR	6	50% TCAC AMI	60% MOHCD AMI
3 BR	9	60% TCAC AMI	80% MOHCD AMI
<b>Sub-Total</b>	<b>30</b>		
<b>STAFF UNITS</b>			
2 BR MANAGER	1	N/A	N/A
<b>TOTAL</b>	<b>168</b>		
<b>PROJECT AVERAGE</b>		<b>41%</b>	<b>47%</b>

<b>AVERAGE FOR LOTTERY UNITS ONLY</b>	<b>48%</b>	<b>54%</b>
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7.4. MOHCD Restrictions.

In the event that the LOSP or Plus Subsidy is removed or unavailable, the maximum MOHCD AMI for the affected unit shall float up to a maximum 80% MOHCD AMI for those units, as long as the overall maximum average AMI for the entire building (not including one manager’s unit) remains at or below 60% MOHCD AMI.

The restrictions shown below do not include income restrictions applicable from State financing applications, including TCAC and/or MHP.

<b>NON-LOTTERY</b>	<b>No. of Units</b>	<b>MOHCD Restriction</b>
1 BR – LOSP	16	40% MOHCD AMI
2 BR – LOSP	11	50% MOHCD AMI
3 BR – LOSP	13	50% MOHCD AMI
<b>Sub-Total</b>	<b>40</b>	
2 BR – LOSP	1	50% MOHCD AMI
3 BR – LOSP	1	50% MOHCD AMI
<b>Sub-Total</b>	<b>2</b>	
Studio – Plus Housing	2	50% MOHCD AMI
1 BR – Plus Housing	2	50% MOHCD AMI
2 BR – Plus Housing	1	50% MOHCD AMI
<b>Sub-Total</b>	<b>5</b>	
<b><u>LOTTERY</u></b>		
Studio	13	60% MOHCD AMI
1 BR	4	60% MOHCD AMI
1 BR	10	60% MOHCD AMI
<b>Sub-Total</b>	<b>27</b>	
2 BR	15	60% MOHCD AMI
2 BR	39	60% MOHCD AMI
2 BR	9	80% MOHCD AMI
<b>Sub-Total</b>	<b>63</b>	
3 BR	15	80% MOHCD AMI

3 BR	6	80% MOHCD AMI
3 BR	9	80% MOHCD AMI
<b>Sub-Total</b>	<b>30</b>	
<b>STAFF UNITS</b>		
2 BR MANAGER	1	
<b>TOTAL</b>	<b>168</b>	
<b>PROJECT AVERAGE</b>		72%
<b>AVERAGE FOR LOTTERY UNITS ONLY</b>		80%

## SUPPORT SERVICES

### 7.5. Services Staffing.

As part of the Sponsor’s RFQ response, CCDC initially proposed to be the service provider for the general population and the permanent supportive housing units, with Catholic Charities Client Services tasked to provide supportive services for the five Plus Housing units. However, after further evaluation, CCDC will now be the sole service provider for all residents, including the general population, the 42 permanent supportive housing units and the five Plus Housing Units.

CCDC will also enter into a services contract funded by HSH for the support staff positions assigned to the 42 permanent supportive housing units for families. A final budget for supportive services (including staffing ratios and associated operational expenses) that is approved by HSH will be required as a loan condition.

Staffing to support the 120 general affordable and 5 Plus housing units will be paid for by the operating budget. HSH and MOHCD staff have reviewed and conceptually approved preliminary staffing rates, staffing and operating budgets, and proposed ground floor office and services spaces, for both supportive housing and general affordable and Plus units.

The Project team is proposing following on-site support services staff:

<b>Staff Position</b>	<b>Employed by</b>	<b>FTE</b>	<b>Residents Served</b>	<b>Staff to Resident Ratio</b>	<b>Funding Source</b>
Resident Services Coordinator (RSC)	CCDC	1.38 FTE	120 General Affordable and 5 PLUS households	1:100	Operating Budget

Resident Services Supervisor	CCDC	0.62 FTE	40 formerly homeless family households & Supervision of RSCs and ICMs.	1:20	HSH
Intensive Case Manager (ICM)	CCDC	2.0 FTE	40 formerly homeless family households	1:20	HSH
<b>Total Staffing On-Site</b>		<b>4.0 FTE</b>	<b>167 Households (not including manager's unit)</b>		

While the staffing ratios would normally result in cumulative staff to resident ratio of 3.35 total FTE in supportive services staffing for all units, MOHCD and HSH staff believe the slight increases shown (1.38 FTE instead of 1.25 FTE for General Affordable and PLUS Households, and 2.62 FTE instead of 2.10 FTE for 42 formerly homeless family households) are warranted given the need for on-site supervision of supportive service staff and the presence of larger family units.

#### 7.6. Services Plan

CCDC will provide trauma-informed services for low-income and formerly homeless families by utilizing the community building and engagement model which aims to enhance the quality of life of residents and enable them to become self-sufficient, living independently and with dignity, while also concentrating on social connectedness and becoming active members of their communities. The services plan assumes that most people have trauma in their history, especially those who are exiting homelessness, and designs services to recognize trauma, de-escalate chaos and stress, emphasize continuity of care (particularly across child-services systems), foster resiliency, promote health, and strengthen social connections. A trauma-informed model also necessitates care for staff and addressing secondary traumatic stress.

For the Plus Housing households, CCDC will aim to enhance and improve the service connections with a deeper focus on physical health. This will be integrated with MEDA's community service delivery model for families (and Plus households) to thrive. MEDA staff will complement CCDC's services work with additional resources such as financial asset building workshops, personal income tax preparation, and access to the Mission Promise Neighborhood partnership which provides services in surrounding neighborhood K-12 schools.

Types of resident services that will be offered to tenants include ongoing outreach and resident engagement, development of individualized action and services plans, translation and interpretation, case management, crisis and conflict intervention and prevention, housing and financial stability intervention, health workshops and education, food security, community gardening, workforce development, academic

support and more. Residents will also have access to community spaces like the community room for building events and services or private resident gatherings, outdoor play spaces, a computer lab and co-working area.

**7.7. Services Budget.**

Services will be funded through a separate contract with HSH and through the Project’s operating budget. HSH will fund the intensive case management services for the LOSP units at a rate of \$541,799 per year (which is consistent with HSH’s standard for family buildings). The remaining balance for services for the 120 general affordable units and 5 PLUS units will be funded through the operating budget.

**7.8. HSH Assessment of Service Plan and Budget.**

HSH review of the services plan, staffing and budget is pending and final approval is expected prior to final gap loan. Final approval will also be required as a loan condition.

**8. STAFF RECOMMENDATIONS**

**8.1. Proposed Loan/Grant Terms**

<b>Financial Description of Proposed Loan</b>	
Loan Amount:	\$44,360,000
Loan Term:	57 years
Loan Maturity Date:	2082
Loan Repayment Type:	Residual Receipts
Loan Interest Rate:	3%
Date Loan Committee approves prior expenses can be paid:	INPUT DATE LOAN COMMITTEE APPROVES PAYING EXPENSES, i.e., September 1, 2023

<b>Financial Description of Proposed MOHCD FHLB AHP Bridge Loan</b>	
Loan Amount:	\$1,000,000
Loan Term:	57 years
Loan Maturity Date:	2081
Loan Repayment Type:	Due in full on maturity date or AHP payment during construction.
Loan Interest Rate:	3%
Date Loan Committee approves prior expenses can be paid:	INPUT DATE LOAN COMMITTEE APPROVES PAYING EXPENSES, i.e., September 1, 2023



## **8.2. Recommended Loan Conditions**

### **BEFORE FINAL GAP LOAN APPROVAL**

1. In the event the Summer 2023 SuperNOFA MHP Loan is not awarded, Sponsors shall work with MOHCD staff to re-evaluate increasing income restrictions for 40 of the 42 LOSP supported units from 25% MOHCD AMI equivalent to at least 40% MOHCD AMI.
2. Sponsors must provide MOHCD with information outlining cost containment, efficiencies and innovation strategies to reduce overall project costs and maximize efficiency of MOHCD gap loans.
3. Sponsor shall determine viability of the stairs/access means proposed for the building entrance near the northwest corner of the Project site within 60 days after submitting applications for State financing.
4. Sponsors shall demonstrate to MOHCD satisfaction that soft cost contingencies are appropriately sized.
5. Sponsors shall provide an executed Letter of Intent (LOI) with commercial operators, a commercial development budget, and a tenant improvement proforma for MOHCD review and approval, prior to final gap funding request.
6. Sponsors must: a) provide for MOHCD review of the Request for Proposals (RFP) for equity investors and lenders before it is finalized and distributed; b) provide for MOHCD review of all raw financial data from developer or financial consultant prior to selection; c) provide for MOHCD review and approval of all selected investors and lenders; and d) provide for MOHCD review and approval of all Letters of Intent from financial partners.
7. Sponsor must provide MOHCD with detailed monthly updates via the MOH Monthly Project Update, including on:
  1. Community outreach completed,
  2. Outcomes achieved related to racial equity goals, and
  3. Commercial-use programming.
8. Sponsor must provide operating and development budgets that meet MOHCD Underwriting Guidelines and MOHCD Commercial Space Underwriting Guidelines.
9. Sponsor must provide MOHCD with a services plan and proposed staffing levels that meet MOHCD underwriting standards prior to gap loan approval. Any changes to the current proposed staffing will need to be presented to MOHCD at least 90 days prior to loan closing or final gap loan approval.

10. Sponsor must work with MOHCD staff and project's General Contractor to Value Engineer construction budget with the goal of reducing construction costs to \$600 PSF inclusive of contractor contingency, bid contingency and escalation to start of construction].
11. For both commercial spaces a commercial space plan and Request for Proposal (RFP) for each commercial space will be developed, subject to MOHCD approval, and before the end of September 2023.

#### **PRIOR TO CONSTRUCTION**

12. Sponsor shall submit any required SFMTA traffic control plans (covering construction related street closures and sidewalk closures, if needed) within no less than 120 days prior to construction start.
13. Sponsors shall submit any plans for electrical/transformer vaults for review by SF DPW at least 120 days prior to construction start, and undertake efforts to underground such vaults, or minimize Project site or above-ground sidewalk impacts.
14. Prior to final developer fee disbursement, Sponsors shall obtain MOHCD approval of the appropriate split of asset management role and asset management fees (to the extent of available cash flow during operations).

#### **BEFORE TCO**

15. Sponsor must provide initial draft marketing plan within 12 months of anticipated TCO, outlining the affirmative steps they will take to market the project to the City's preference program participants, including COP Holders, Displaced Tenants, and Neighborhood Residents, as well as how the marketing is consistent with the Mayor's Racial Equity statement and promotion of positive outcomes for African American San Franciscans.
16. Sponsor shall also provide a market study no earlier than 12 months prior to TCO and demonstrate rents for general affordable units (all units other than 42 LOSP, 5 PLUS and Manager's unit) are at or below 10% of fair market rents in the adjoining market study area.
17. Sponsor must provide quarterly updated response to any letters requesting corrective action.
18. Sponsor must submit an updated 1<sup>st</sup> year operating budget and 20-year cash flow – if any changes have occurred – by November 1<sup>st</sup> before the year the project will achieve TCO so that MOHCD may request the LOSP subsidy.

#### **9. LOAN COMMITTEE MODIFICATIONS**

## LOAN COMMITTEE RECOMMENDATION

*Approval indicates approval with modifications, when so determined by the Committee.*

APPROVE.       DISAPPROVE.       TAKE NO ACTION.

\_\_\_\_\_  
Eric D. Shaw, Director  
Mayor's Office of Housing

Date: \_\_\_\_\_

APPROVE.       DISAPPROVE.       TAKE NO ACTION.

\_\_\_\_\_  
Salvador Menjivar, Director of Housing  
Department of Homelessness and Supportive Housing

Date: \_\_\_\_\_

APPROVE.       DISAPPROVE.       TAKE NO ACTION.

\_\_\_\_\_  
Thor Kaslosky, Executive Director  
Office of Community Investment and Infrastructure

Date: \_\_\_\_\_

APPROVE.       DISAPPROVE.       TAKE NO ACTION.

\_\_\_\_\_  
Anna Van Degna, Director  
Controller's Office of Public Finance

Date: \_\_\_\_\_

- Attachments:
- A. Project Milestones/Schedule
  - B. Borrower Org Chart
  - C. Developer Resumes
  - D. Asset Management Analysis of Sponsor
  - E. Threshold Eligibility Requirements and Ranking Criteria
  - F. Site Map with amenities
  - G. Elevations and Floor Plans, if available
  - H. Comparison of City Investment in Other Housing Developments
  - I. N/A
  - J. Development Budget
  - K. 1<sup>st</sup> Year Operating Budget
  - L. 20-year Operating Pro Forma

## Casa Adelante 1515 South Van Ness Ave Preliminary Gap Request

Shaw, Eric (MYR)

Fri 7/7/2023 11:55 AM

To: Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>

approve

Eric D. Shaw

Director/ Interim Director HopeSF

Mayor's Office of Housing and Community Development

City and County of San Francisco

1 South Van Ness Avenue, 5th Floor

**Casa Adelante 1515 SVN Ave.****Menjivar, Salvador (HOM)**

Fri 7/7/2023 5:41 PM

To: Shaw, Eric (MYR) &lt;eric.shaw@sfgov.org&gt;

Cc: Amaya, Vanessa (MYR) &lt;Vanessa.Amaya@sfgov.org&gt;

Eric and Vanessa,

The agenda had a \$46.3MM amount and Omar's analysis had \$45.3MM. I am using Omar's amount in my approval but let me know if that's incorrect.

I support Mission Economic Development Agency & Chinatown Community Development Center (Casa Adelante SVN Housing L.P.) request for a preliminary gap loan in the amount of \$45,360,000 for 1515 South Van Ness Avenue, a proposed new construction affordable housing development for families featuring 168 units, of which 42 units are for families experiencing homelessness, and 5 units set aside for HIV positive households.

Best,

salvador



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

San Francisco Department of Homelessness and Supportive Housing  
[salvador.menjivar1@sfgov.org](mailto:salvador.menjivar1@sfgov.org) | 415-308-2843

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## Casa Adelante 1515 South Van Ness Ave Preliminary Gap Request

Colomello, Elizabeth (CII)

Fri 7/7/2023 11:54 AM

To: Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>

Cc: Shaw, Eric (MYR) <eric.shaw@sfgov.org>; Kaslofsky, Thor (CII) <Thor.Kaslofsky@sfgov.org>

Hi Vanessa,

I approve the subject request on behalf of OCII.

Thanks-

Elizabeth



**Elizabeth Colomello**  
**Housing Program Manager**

---

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

📞 415.749-2488, Cell 415.407-1908

🏠 [www.sfocii.org](http://www.sfocii.org)

---

## Prelim Gap Loan - 1515 South Van Ness Avenue

Van Degna, Anna (CON) <anna.vandegna@sfgov.org>

Fri 7/7/2023 11:54 AM

To:Amaya, Vanessa (MYR) <Vanessa.Amaya@sfgov.org>

Cc:Shaw, Eric (MYR) <eric.shaw@sfgov.org>

Approved

**Anna Van Degna** (*she/her/hers*)

Director, Controller's Office of Public Finance

City & County of San Francisco

1 Dr. Carlton B. Goodlett Place

City Hall, Room 338\*

San Francisco, CA 94102

Phone: (415) 554-5956

Email: [anna.vandegna@sfgov.org](mailto:anna.vandegna@sfgov.org)

*\*Please note our new Office #*

**Attachment A: Project Milestones and Schedule**

No.	Performance Milestone	Estimated or Actual Date	Notes
A.	Prop I Noticing (if applicable)	<u>01/15/2022</u>	
1	Acquisition/Predev Financing Commitment	<u>08/2022</u>	
2.	Site Acquisition	<u>N/A</u>	
3.	Development Team Selection	<u>12/2020</u>	
a.	Architect	<u>03/20/2022</u>	
b.	General Contractor	<u>09/09/2022</u>	
c.	Owner's Representative	<u>11/23/2021</u>	
d.	Property Manager	<u>N/A</u>	
e.	Service Provider	<u>N/A</u>	
4.	Design		
a.	Submittal of Schematic Design & Cost Estimate	<u>04/30/2023</u>	
b.	Submittal of Design Development & Cost Estimate	<u>08/04/2023</u>	
c.	Submittal of 50% CD Set & Cost Estimate	<u>01/04/2024</u>	
d.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	<u>07/20/2023</u>	
5.	Commercial Space		
a.	Commercial Space Plan Submission	<u>Q4 2023</u>	
b.	LOI/s Executed	<u>TBD</u>	
6.	Environ Review/Land-Use Entitlements	<u>7/12/2023</u>	
a.	AB 2162 Application Submission	<u>04/21/2023</u>	
b.	CEQA Environ Review Submission	<u>N/A</u>	
c.	NEPA Environ Review Submission	<u>N/A</u>	
d.	CUP/PUD/Variances Submission	<u>N/A</u>	
7.	PUC/PG&E		
a.	Temp Power Application Submission	<u>09/15/2023</u>	
b.	Perm Power Application Submission	<u>09/30/2023</u>	
8.	Permits		
a.	Site Permit Application Submitted	<u>04/27/2023</u>	

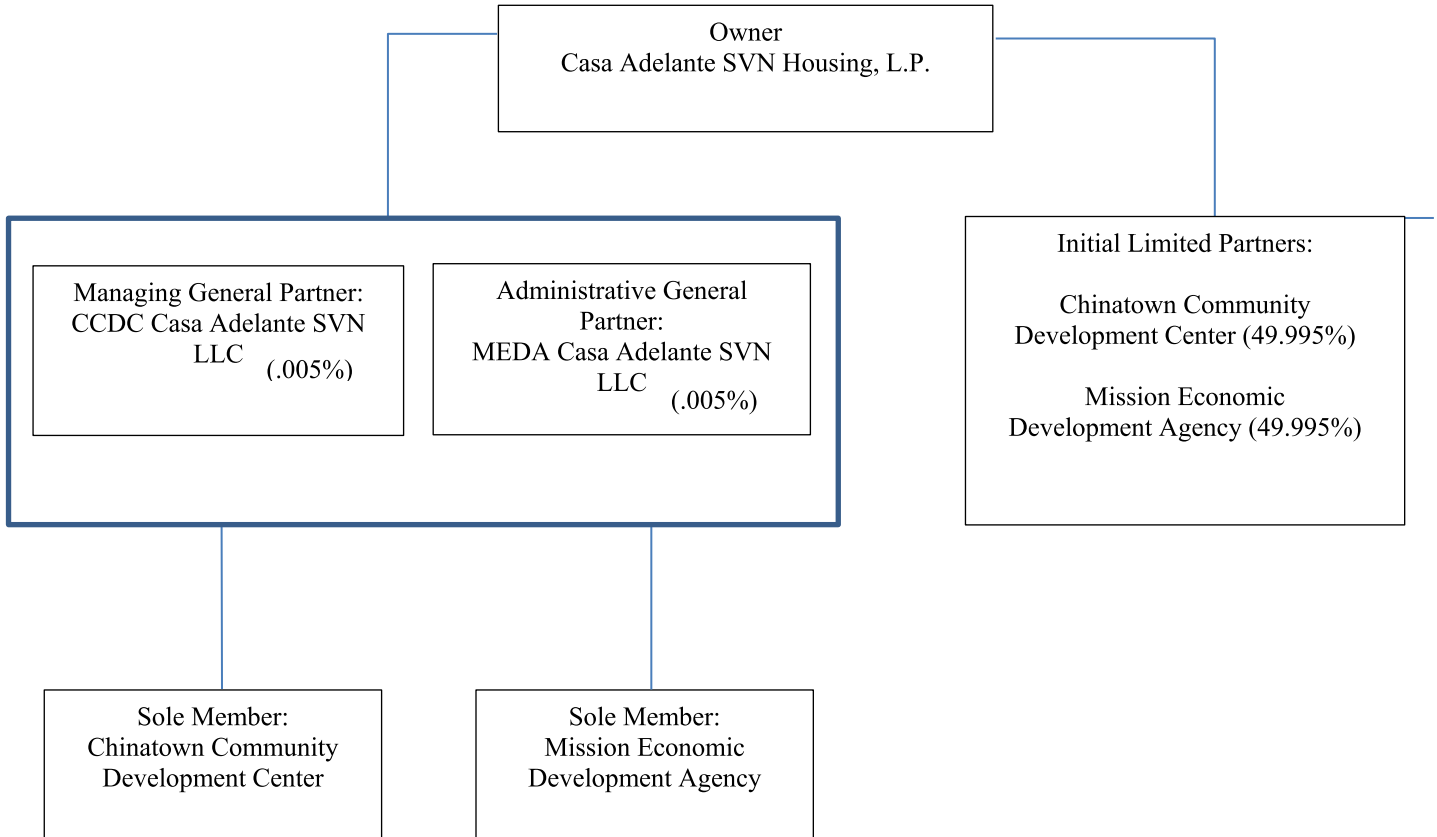


b.	Building permit	<u>TBD</u>	
c.	Addendum #1 Submitted	<u>08/2023</u>	
d.	Addendum #2 Submitted	<u>09/2023</u>	
9.	Request for Bids Issued	<u>01/04/2024</u>	
10.	Service Plan Submission		
a.	Preliminary	<u>05/12/2023</u>	
b.	Final	<u>08/01/2023</u>	
11.	Additional City Financing		
a.	Preliminary Gap Financing Application	<u>06/16/2023</u>	
b.	Final Gap Financing Application	<u>01/15/2024</u>	
12.	Other Financing		
a.	HCD Application	<u>07/12/2023</u>	
b.	Construction Financing RFP	<u>TBD</u>	
c.	AHP Application	<u>02/01/2024</u>	
d.	CDLAC Application	<u>02/15/2024</u>	
e.	TCAC Application	<u>05/15/2024</u>	
f.	Other Financing Application	<u>N/A</u>	
g.	LOSP Funding Request	<u>01/15/2025</u>	
13.	Closing		
a.	Construction Loan Closing	<u>07/01/2024</u>	
b.	Conversion of Construction Loan to Permanent Financing	<u>07/01/2026</u>	
14.	Construction	<u>07/01/2024</u>	<u>(Assume 24 mo construction)</u>
a.	Notice to Proceed	<u>07/01/2024</u>	
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion	<u>08/01/2026</u>	
15.	Marketing/Rent-up		
a.	Marketing Plan Submission	<u>01/15/2025</u>	
b.	Commence Marketing	<u>07/01/2025</u>	
c.	95% Occupancy	<u>01/01/2027</u>	
16.	Cost Certification/8609	<u>11/01/2027</u>	
17.	Close Out MOH/OCII Loan(s)	<u>02/01/2027</u>	



**Attachment B: Borrower Org Chart**

**Attachment B: Borrower Org Chart**



### **Attachment C: Development Staff Resumes**

#### **Kim Piechota, Director of Housing Development, Chinatown Community Development Center**

Kim Piechota has over 20 years of experience in affordable housing development, of which 12 are with CCDC. As Housing Director, Kim is responsible for identifying new projects, assuring their delivery, devising housing policy, assisting with asset management and strategic planning, and providing development expertise to the Program Division. She steps into remove roadblocks and support Housing Development staff during major negotiations.

#### **Joanna Ladd, Associate Director of Housing Development, CCDC**

Joanna started in CCDC's Housing Division in 2011 and has been part of department leadership since 2018. Joanna will devote 10% of her time to supporting 1515 S. Van Ness team through weekly coaching on critical issues related to financing, contract negotiations, community engagement, and schedule.

#### **Ileah La Vora, Zen Development Consultant, CCDC**

Ileah La Vora has 18 years of experience in affordable housing development in San Francisco, over 15 years were with Mercy Housing CA. Ileah has been with Zen Development Consultants for nearly 2 years working on various transactions in San Francisco and statewide. Ileah will devote 10% of her time to supporting 1515 S. Van Ness team through weekly coaching on critical issues related to financing, contract negotiations, community engagement, and schedule.

#### **Omar Rahmaoui, Project Manager, CCDC**

Omar has been with CCDC's Housing Division for over 5 years. He has assisted Housing Division staff on RAD Phase 1 and 2 projects and various new construction projects including 1296 Shotwell. He has also managed large preservation projects including Hamlin Hotel and 937 Clay, as well as other green retrofit projects. In his most recent experience, he has acquired and substantially renovated various projects as Small Sites Program Project Manager. Omar will devote 50% of his time managing 1515 S. Van Ness.

#### **Angelina Perez, Assistant Project Manager, CCDC**

Angelina recently graduated from San Jose State University's Masters in Urban and Regional Planning program with concentrations in Affordable Housing and Community Development. Angelina has over 3 years of experience working with an affordable housing consultant in San Jose. In this role, she supported the Owner on various development and project management tasks for Project Homekey sites, including a permanent supportive housing project for seniors. She also has experience in affordable housing property management and other housing-related work such as accessory dwelling unit consulting. Angelina will dedicate 50% of her time to the project.

#### **Karoleen Feng, Director of Community Real Estate, MEDA**

Karoleen established MEDA's Community Real Estate program in 2014 to re-build community assets in the Mission District. As a woman of color, she jumpstarted MEDA's joint venture partnerships for the RAD cluster of the SFHA public housing, new construction of 400+ apartments and preservation of dozens of small apartments off the private market. As the Project Executive, Karoleen will serve as the principal representative for MEDA and would dedicate 5% of her time overseeing the MEDA 1515 S. Van Ness project team.

**Elaine Yee, Deputy Director of Community Real Estate, MEDA**

Elaine has worked in the affordable housing development in the Bay Area since 2008 and joined the MEDA Community Real Estate team since 2014. Elaine would dedicate 5% of her time coaching the 1515 S. Van Ness Team on project management and critical issues related to financing, contract negotiations and community engagement.

**Kaila Price, Senior Development Consultant, Zen Development**

Kaila has extensive affordable housing development experience in multiple states. She worked on HOPE VI projects in Atlanta; for the San Francisco Mayor's Office of Housing and Community Development as a project manager; and as a Development Officer of the West Coast at Michaels Development Company in 2010. Since 2015, Kaila has been consulting and currently supports MEDA on two new construction projects.

**Laura Elaine Daza-García, Project Manager, MEDA**

Laura E. Daza-Garcia recently graduated from UCLA's Masters in Urban and Regional Planning program with a concentration in housing. Laura has over 6 years of experience working as a tenant counselor and advocate for several housing non-profit organizations in San Francisco. and in the Mission District During her last year of graduate school, Laura worked as a Development Associate at Community Corporation of Santa Monica. In this role, she supported the development team with both rehabilitation and new construction projects. Laura will dedicate 50% of her time to support 1515 S. Van Ness team.

**Leslie Molina, Asset Manager Director, MEDA**

Leslie is a dynamic real estate professional with over 25 years' experience in affordable housing, conventional market of residential, commercial and investment properties. Demonstrated ability to achieve strong fiscal performance while managing and executing real estate strategies to meet organizational objectives. A San Francisco native, she brings her experience most recently at TNDC overseeing in excess of \$20 million in annual budgets along with the management of an 8-12 asset portfolio with 1000 units, eighty (80+) indirect reports, and ten (10) direct reports.

**Attachment D: Asset Management Evaluation of Project Sponsor**

CCDC will handle asset management during predevelopment, construction and after TCO.

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**MEDA:**

**Number of projects and avg. # of units/project currently in sponsor’s asset management portfolio**

MEDA has 3 distinct property types in the portfolio - Production - tax credit, Preservation - small sites, commercial-only. These projects total 43 buildings. The average # of units across all projects is 30 units/building (1,145 residential and commercial units).

	<b>Number of Projects</b>	<b>Number of Units</b>	<b>Average # of units/project</b>
<b>Total</b>	43	1,145	26
<b>Production - tax-credit</b>	8	805 (residential only)	100
<b>Preservation-Small Sites</b>	33	287 (residential +commercial only)	8.5
<b>Commercial Only</b>	2	14	7

1. 287 Preservation units include 32 commercial spaces. Commercial spaces are counted as units, per the small sites program guidelines.

MEDA, as owner is part asset manager 8 tax credit buildings as of 2021 - RAD (5 buildings- Bridge Housing MGP), Casa Adelante-1296 Shotwell (Chinatown CDC MGP), Casa Adelante-2060 Folsom (Chinatown CDC MGP), Casa Adelante -1990 Folsom (TNDC-lead). In 2022, we will add Casa Adelante-681 Florida (TNDC MGP) to the tax credit portfolio.

MEDA solely asset manages the Small Sites portfolio of (33 buildings/283 units) and 2 commercial buildings.

Sponsor's current asset management staffing – job titles, FTEs, avg # units assigned to each FTE, org chart and status of each position (filled/vacant)

As of 10/28/2021, MEDA's asset management staffing is currently a 4-person team with 2 more proposed positions (2 Asset Managers) to be hired.

The Asset Management team is under the Director (Karoleen Feng) and Deputy Director (Elaine Yee) of Community Real Estate and led by an Associate Director (Leslie Molina). The Asset Management team consists of Senior Asset Manager (Proposed), Asset Manager (Zachary Schroeder), Asset Manager (Vacant), Assistant Asset Manager (William) and Leasing Specialist (Guadalupe Mercado). The proposed and vacant positions are on hold, mainly because of MOHCD's developer pause.

10% of MEDA's asset management team time is focused on asset management of tax credit properties and commercial buildings. The remainder is focused and funded by small sites. While MEDA has grown staffing capacity to fill 6 of 9 FTE in the core areas of 1) Asset Management, 2) CRE Finance/Accounting (as outlined below), these staff had projected to be significantly funded by developer fee revenues from acquisition and rehabilitation of small sites. They are also funded by developer fees from new construction production projects. The current staff will dedicate approximately 3-5% time to the project. The Leasing Specialist will only dedicate time to projects that have vacancies and during income certification.

The recently filled positions include

- a. Asset Management. Added (+1) Associate Director, Leslie Molina as of 10/25/21.
- b. Leasing. Added (+1) Leasing Specialist, Guadalupe Mercado 10/12/2021  
Guadalupe Mercado brings her spectrum of four years of housing experience from housing counselling with MEDA's Housing Opportunities Program to rental relief to escrow processes.
- c. MEDA has temporarily added capacity (through December 31, 2021) with Vanessa Amaya (0.5 FTE - Preservation Project Management Assistant), and (0.5 FTE Leasing Administrative Assistant (1 FTE) (unfilled as of 10/28/2021).

MEDA's asset management capacity also draws from our Accounting and Finance team. The CRE Finance and Accounting staff are dedicated to CRE and housed in the MEDA's finance and accounting team. Every member of the CRE Finance and Accounting staff will have a role in the operations of each SSP project from monthly, quarterly and annual property accounting to audit response on each building and financial analysis. They will dedicate 2-3% time to the project. This team is currently a two-person team with 0.5 FTE vacant position.

Accounting and Finance Capacity - The CRE Finance and Accounting staff are dedicated to CRE and housed in the MEDA's finance and accounting team. They will dedicate 2-3% time to the project. This team is currently a two-person team with 0.5 FTE vacant position.

- a. Accounting and Finance added (+2) Accounting Manager, Sanam Alam 07/23/2021 and Senior Real Estate Accountant, Suriana Budamin 10/18/2021
- b. MEDA has a vacancy of (0.5 FTE) Financial Analyst.

### **Description of scope and range of duties of sponsor's asset management team**

Asset management staff currently oversees (33) projects containing (243) affordable housing units and (32) commercial units, while providing TA to partner agency SFHDC on the Asset Management of two (2) additional sites for a total of (287) units, with an average project size of approximately eight (8) units. MEDA closed on its first residential property with City financing in November 2015 and has submitted AMR's to MOHCD's Asset Management team since 2017. Since 2019, MEDA has continuously expanded Asset Management staffing to increase capacity of the growing portfolio.

Currently, the Associate Director is primarily responsible for owner's representation for asset management for the tax credit properties, especially with lender relationships. They work closely with the Senior Asset Manager and the Asset Manager for long term forecasting, managing the annual budget, compliance and monitoring including MOHCD Annual Monitoring Reports, risk management including insurance. The Asset Managers are responsible for property management and facilities oversight. The Senior Asset Manager is responsible for financial forecasting and budget review, with experience in tax credit properties. The asset managers split the Small sites pipeline and portfolio. As properties are proposed and in operations, they review proforma and legal documents, focusing on operational revenue and expenses, debt servicing and fee structure. They will also be responsible for compliance. The Assistant Asset Manager will assist throughout including welfare tax exemptions, debt servicing, and insurance. The Leasing specialist is responsible for marketing and leasing of units as well as income certification throughout the small sites portfolio.

### **Description of sponsor's coordination between asset management and other functional teams, including property management, accounting, compliance, facilities management, etc.**

For 1515 South Van Ness, MEDA's asset management would be coordinating with Chinatown CDC's team. Currently, MEDA's asset management has quarterly meetings with Chinatown CDC's asset management, property management and services. In time, MEDA will directly coordinate with property management, accounting, compliance and facilities management based on a hybrid model of MEDA's sole ownership of small sites preservation properties and partial asset management of Casa Adelante 1296 Shotwell which is next door to the site. MEDA's Finance and accounting team are prepared to coordinate with project management and asset management through the accounting life cycle of the development through operations process. Currently, every member of the CRE Finance and Accounting staff has a role in the operations of each SSP project and commercial properties from monthly, quarterly and annual property accounting (transferred from 3rd party property management) to audit response on each



building and financial analysis. They are also directly responsible for preconstruction through construction accounting for SSP as well as our new construction affordable homeownership project, Casa Adelante-2205 Mission.

### **Sponsor's budget for asset management team – shown as cost center for projects in SF**

Of the \$1.3-\$1.4 million in annual expenses for Asset Management and CRE Finance/Accounting, only approximately \$300,000 is supported by the operations budgets of the buildings. At the beginning of 2021, when MEDA expected up to \$1.05 m in developer fees from small sites for acquiring up to 8 buildings and completing the rehabilitation of 6 buildings, this would have supported over 40% of the \$700,000 in annual expense for Asset Management and Accounting with the remainder being funded by developer fees from new construction/production projects. Currently, the \$300,000 in fees received from the portfolio for asset management and accounting are only sufficient to support 3 FTE of the 9 FTE from both core areas. The planned hiring of vacant positions has been paused until the acquisition program resumes.

### **Number of projects expected to be in sponsor's AM portfolio in 5 years and, if applicable, plans to augment staffing to manage growing portfolio**

In the next 5 years, the expected tax credit projects include Casa Adelante - 681 Florida (TNDC - MGP), and Casa Adelante - 1515 South Van Ness. In addition, MEDA forecasts limited growth from the Small Sites pipeline, depending on the MOHCD pause of 0-30 properties. The current staffing is expected to be sufficient, depending on growth of the Small Sites pipeline. In 1-3 years, an additional asset manager dedicated to tax credit properties, commercial and affordable for-sale monitoring could be added.

### **CCDC:**

33 Projects, 84 average units per project

The Asset Management Department (AM) is comprised of 4.625 FTE:

- Director of Asset Management
- Senior Asset Manager
- Asset Manager
- Asset Management Coordinator
- Asset Management Assistant (25 hours per week)

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their duties are outlined in the job descriptions included at the end of the document. All positions are filled.

AM monitors the financial and physical health of the portfolio. They produce financial projections for each building in order to monitor the long-term viability of the property. They commission capital needs analyses for each building every five years and monitor the process of getting all called for repairs and replacements done. They collaborate with the Housing Development Department to develop work-out plans for troubled properties. With the Property Management

Department, they set rents at each building according to the various programs and funding sources in place. They are the main point of contact between CCDC and the lenders, partners, and regulators of the portfolio. This includes all periodic reporting.

AM meets twice-monthly with the Housing Development, Property Management, and Fiscal departments to discuss cross-department topics and coordinate the organization's approach to property and portfolio issues. The Director of Property Management, Compliance Managers, and Property Supervisors, and Fiscal Department are located in the same building as AM, which allows for easy communication and an awareness of each other's roles and challenges.

CCDC does not maintain a separate budget for the Asset Management team since it is part of their Fiscal Department.

With respect to the number of projects the Sponsor expects to have in its asset management portfolio in the coming five years, CCDC has provided its Real Estate Owned schedule ("REO schedule." In the next five years, CCDC will add the following projects to the portfolio:

- 2060 Folsom (127 units)
- 1150 3rd Street a.k.a. Mission Bay Block 3E (101 units)
- Treasure Island, with Sword to Plowshares (100 units)
- 730 Stanyan with TNDC (150+units to be determined)

A number of other projects are under consideration and may be added to the portfolio. In addition, through the Small Sites program we expect to add 15 to 20 new properties totaling between 60 and 400 units.

AM is a relatively new department and has spent considerable time in the past two years developing and implementing policies and procedures that are improving the quality and efficiency of our work. We expect to be able to add these projects without increasing staffing. The asset management activity that creates spikes in our regular work flow is refinancing. If these should prove too great a strain on staffing, we have relationships with very competent consultants who can perform the work for us and charge their time to the project.

## **Attachment E: Threshold Eligibility Requirements and Ranking Criteria**

### **V. SELECTION PROCESS, MINIMUM EXPERIENCE AND CAPACITY REQUIREMENTS, SELECTION CRITERIA AND SCORING, AND SUBMITTAL REQUIREMENTS OVERVIEW**

#### **A. SELECTION PROCESS**

MOHCD staff will review all submittals for completeness and satisfaction of minimum experience and capacity requirements (see Section B below). If a submittal does not meet minimum experience and capacity requirements, the Respondent may submit an appeal to MOHCD staff on technical grounds only.

A Selection Panel will be appointed by the Director of MOHCD composed of persons with expertise in the areas of development, affordable housing finance, affordable housing construction management, community development, commercial space development, housing access/marketing, housing and services for homeless households, and public design/arts commission, as well as community representatives.

The Selection Panel will review all qualified responses (see Section C below) and may interview top-scoring Respondents, at which time Respondents will be asked to present and explain the major characteristics of their submittal, particularly as they relate to the Scoring Criteria, and respond to questions from the Selection Panel.

After any interviews have been completed, the Selection Panel will meet to determine the final ranking of all responses and present this ranking to the Director. The Selection Panel's scoring of each proposal will be done by consensus and will be final.

The Director will then select a development team and advise the Mayor of this selection. MOHCD staff will then exclusively negotiate a binding contract with the selected team for purposes of the Site's development. If MOHCD staff cannot complete a contract with the selected development team that is in the best interest of the City, the MOHCD Director may terminate negotiations in his sole discretion. If the MOHCD Director terminates negotiations with the selected development team, the MOHCD Director reserves the right, in his sole discretion, to (1) negotiate with the next highest ranked Respondent, or (2) reject any and all other proposals, in whole or in part, prior to award, and (3) may re-advertise a request for qualifications for any Project under such terms the MOHCD Director deems to be in the City's best interest. MOHCD reserves the right to appoint additional parties to the selected development team should it be determined that the team lacks representation necessary to the achievement of the goals of the RFQ.

#### **B. MINIMUM EXPERIENCE AND CAPACITY REQUIREMENTS**

Respondents must meet the following minimum development team characteristics, experience, and capacity requirements in order to qualify to be scored and ranked under

this RFQ. For Minimum Qualifications for respondents applying for 100% housing for homeless adults please refer to Sections III.D and IV.C.

**Racial Equity Capacity:** The proposed Development team must document its capacity to successfully plan, design, and develop racial equity strategies that will lower barriers to obtaining quality affordable housing for communities of color through employment of staff with appropriate experience and capacity, contracted services, and/or collaboration with other organizations. Respondents should submit demographic data of the Boards of Directors of member organizations of the Development Team and of the staff of the various organizations that make up the respondent team.

1. *Minimum Development Team Characteristics*

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The proposed development team must include members able to work with MOHCD to create developments that are responsive to populations disproportionately impacted by systemic racism; implement a culturally competent approach throughout the development process; align the development program with City policies on anti-displacement, racially inclusive communities, and creation of stable housing for vulnerable populations; and create opportunities for Black- and Brown-led developers to be competitive within the RFQ process.

The proposed Development Team must include:

1. At least one San Francisco-based non-profit development entity whose mission includes the development of affordable housing in low-income communities with experience developing housing for the identified priority populations (such as Certificate of Preference Holders, displaced tenants, neighborhood residents, San Francisco residents, seniors, families, Plus Housing waitlist households and/or formerly homeless households) acting either as sole developer or as a partner in a joint venture, or joint-venture partner, defined as a nonprofit organization;
2. A property owner entity with experience owning housing for low-income communities, including for priority populations (such as COP Holders, displaced tenants, neighborhood residents, San Francisco residents, seniors, families, Plus Housing waitlist households and/or formerly homeless households);
3. A property management entity with experience managing housing for low-income communities, including for priority populations (such as COP Holders, displaced tenants, neighborhood residents, San Francisco residents, seniors, families, Plus Housing waitlist households and/or formerly homeless households);
4. At least one services-providing entity with experience providing services appropriate for the intended target population(s) of each site.

*Letters of Intent or Memoranda of Understanding from service providers and property management entities that are not affiliated with the developer must be submitted with the application.*

2. Minimum Development Team Experience

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Minimum experience must be demonstrated by identifying specific **Qualifying Projects** in which team members have participated, as further described below. The proposed Development Team must submit **Attachment 4 - Qualifying Project Form**, to document how the Qualifying Project characteristics meet each of the experience categories below (developer, owner, property manager, service provider.)

To demonstrate the minimum required development team experience, each team should submit one project for each experience category. When appropriate, teams may submit the same project as evidence of experience across multiple experience categories or may use different projects to demonstrate experience across categories. In all cases, no more than four (4) total Qualifying Projects should be submitted.

Qualifying Projects will not be scored but are used to determine if the proposed Development Team meets the minimum development team experience required to develop the Site.

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For Developer and Owner, a **Qualifying Project** must have all of the following characteristics:

5. New construction in either a Type V over I or Type III over I construction type (not a requirement for Minimum Property Manager and Service Provision Experience)
6. At least 75 units in size
7. Majority multiple-bedrooms, *only for family projects*
8. Mixed-use including residential (not a requirement for Minimum Service Provision Experience)
9. Affordable to low- and very low-income households<sup>1</sup>, formerly homeless residents, families and/or seniors
10. Financed with Low-Income Housing Tax Credits.

**a. Minimum Development Experience:**

The proposed Developer must have completed within the past ten years at least **one** Qualifying Project located in San Francisco. “Completed” means the Project must have received its Temporary Certificate of Occupancy by the date of the issuance of the RFQ.

For joint venture Developer teams, the experience of the lead entity may suffice for the joint-venture partnership. A signed Memorandum of Understanding or Term Sheet between joint-venture Development partners that outlines roles and responsibilities, proposed ownership structure, etc. must be submitted with the application. Furthermore, a Respondent can qualify for development experience by contracting with a development consultant for comprehensive project management services. Finally, the requirement to have served formerly homeless residents may be satisfied in a non- Type V over I or Type III over I building. In such a case, the proposed Developer must provide evidence of


<sup>1</sup> “Low Income” is defined as 60% MOHCD AMI and below. “Extremely Low Income” is defined as 30% MOHCD AMI and below.

having completed a partially Type V over I or Type III over I affordable housing building, and separately, an affordable housing building that serves formerly homeless residents.

- b. **Minimum Ownership Experience:** The proposed Owner must have owned at least **one** Qualifying Project for at least four years prior to the Submittal Deadline of this RFQ. For purposes of this requirement, the member of the general partner of the tax credit partnership that will own the completed project is the proposed “Owner.”
- c. **Minimum Property Management Experience:** The proposed Property Manager must have managed at least **one** Qualifying Project for at least 24 months.
- d. **Minimum Service Provision Experience:** The proposed service provider(s) must have at least 36 months experience providing services to low-income family residents, communities of color, homeless persons and/or senior citizens within a Qualifying Project.

**Note Regarding Experience:** For any Respondent team member, the experience of key staff members may be substituted for the experience of the organization as a whole as long as the staff members’ experience in other firms was substantive and involved responsibilities similar to those that they are anticipated to perform during the proposed development of the site. Any substitution should be clearly identified in Attachment 4, Qualifying Project Form.

### 3. Minimum Developer and Owner Capacity Requirements

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The proposed Developer and Owner must demonstrate the financial and staffing capacity to successfully complete the project and manage the asset in the long-term, as further described below.

- a. **Financial Capacity:** The proposed Developer (or Guarantor where another entity is providing required guarantees) must demonstrate its ability to obtain competitive financing, as evidenced by submitting the latest (2) years of either signed federal income tax returns (including schedules or attachments, if any); or audited financial statements (with management letters, if any). The proposed Developer must also submit **Attachment 5 – Financing Terms for Developer’s Qualifying Project** documenting the equity pricing and debt terms for the Qualifying Project submitted under Minimum Developer Experience.
- b. **Staffing Capacity:** The proposed Developer must document its capacity to successfully plan, design, and develop the Project, throughout the period of development, either through staff with appropriate experience and capacity, contracted services, or collaboration with other organizations. To document this, the

proposed Developer must submit a written narrative **no more than one page** (in Times New Roman font, 12 font size, and 1-inch margins) to document

the experience and capacity of key staff, their workloads, and the organizational structure for supporting staff. The proposed Developer must also submit **Attachment 6 – Projected Staffing Workload Form** to document the work assignments (existing or contemplated) associated with each staff person expected to work on the Project for Developer.

- c. **Asset Management Capacity:** The proposed Owner must document its capacity to successfully manage real estate assets in compliance with City regulatory agreements and restrictions. To document this, the proposed Owner must submit a recent Real Estate Owned (REO) schedule, stating the number of projects and average number of units/project currently in Owner's asset management portfolio, proposed Owner's current asset management staffing noting job titles, FTEs, and status of each position (filled/vacant) and proposed Owner's organizational chart.
- d. **Racial Equity Capacity:** The proposed Developer must document its capacity to successfully plan, design, and develop racial equity strategy that will lower barriers to obtaining quality affordable housing for communities of color through staff with appropriate experience and capacity, contracted services, or collaboration with other organizations. Documentation should include information evidencing the Developer's capacity to achieve the goals of this RFQ (see especially pages 4-5).
  1. Select partners that are able to work with MOHCD to deploy city resources, tools and expertise to create developments that are responsive to populations disproportionately impacted by systemic racism;
  2. Ensure that development teams are working within a culturally competent approach through the development process;
  3. Align each Project with the implementation of City policies on anti-displacement, racially inclusive communities, and creating stable housing for vulnerable populations;
  4. Create opportunities for growth of smaller and Black, Indigenous and people of color, (BIPOC)-led organizations in development role or as member of development team
  5. Submit demographic data for the Boards of Directors of each Development Team member and for the staff of each organization represented on the Team.

C. MINIMUM EXPERIENCE AND CAPACITY REQUIREMENTS FOR RESPONDENTS APPLYING FOR 100% SUPPORTIVE HOUSING FOR HOMELESS ADULTS

1. Team Member Specific Minimum Requirements

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a. **Minimum Developer Requirements** - Lead Developer itself or in partnership with other co-developers must provide evidence of the following experience:

1. New construction of at least two affordable housing developments that are both high-density infill sites, with an aggregate unit count of approximately 75 units or more
2. Development of at least one supportive affordable housing development for formerly homeless adults and/or formerly homeless seniors (may be new construction or substantial rehabilitation of an existing building)
3. Use of Low-Income Housing Tax Credit financing

For joint-venture Development partners, the experience of either entity may suffice for the joint-venture partnership. A Memorandum of Understanding between joint-venture Development partners must be submitted with the application.

Furthermore, a Respondent can qualify for development experience by contracting with a development consultant for comprehensive project management services. Project management services should include financial packaging, selection of other consultants, selection of construction contractor and property management agent, oversight of architectural design, construction management, and consultation on major aspects of the development process. The contract for development services must be submitted with the RFQ response and must be acceptable to MOHCD.

b. **Minimum Ownership Experience** - The proposed Owner of the Project must have owned at least one supportive formerly homeless project in San Francisco for at least 5 years prior to the Submittal Deadline of this RFQ. In addition, each proposed Owner must provide evidence of experience with owning housing financed with Low Income Housing Tax credits. This experience does not have to be on the same project that satisfies the 5-year ownership requirement. If the Selected Developer entity is not the same entity as the proposed Owner, MOHCD reserves the right to require that certain members of the Selected Developer remain active in the ownership for whatever length of time MOHCD deems necessary to ensure operating and financial stability.

For purposes of this requirement, the managing general partner of the tax credit partnership intended to take ownership of the completed Project and to provide asset management for the Project is the proposed "Owner".



- c. **Minimum Property Manager Requirements** - The proposed property manager for the Project must have managed at least three supportive formerly homeless

or supportive senior rental projects, including at least one in San Francisco, each for at least 36 months. In addition, the Property Manager for the Project must provide evidence of experience with managing housing financed with Low Income Housing Tax credits.

- d. **Minimum Service Provision Requirements** - The proposed service provider(s) must have at least 36 months’ experience providing supportive services to formerly homeless adults and/or formerly homeless seniors including case management and comprehensive services for homeless households in a residential setting in San Francisco. The proposed service provider(s) must have the infrastructure to supervise and train the onsite staff and their supervisors. The service provider must also have experience with and capacity to bill Medi- Cal.
- e. **Other Consultants** – For any Respondent team, the experience of key staff members or “other consultants” may be substituted for the experience of the organization as a whole as long as the staff member’s or consultant’s experience in other firms was substantive and involved responsibilities similar to what they are anticipated to perform as a member of the Respondent’s team.

**D. SELECTION CRITERIA AND SCORING**

All applications that meet the Minimum Experience and Capacity Requirements will be scored and ranked according to the following selection criteria:

	<b>Category</b>	<b>Points</b>
<b>A.</b>	<b>EXPERIENCE:</b>	<b>40</b>
i.	<b>Developer (12 pts)</b> <ul style="list-style-type: none"> <li>➤ Experience with the following:                             <ul style="list-style-type: none"> <li>○ Completing projects on time and on budget</li> <li>○ Obtaining competitive financing terms</li> <li>○ Developing Type V/I or III/I construction</li> <li>○ Developing housing for low-income families, seniors, or the homeless</li> </ul> </li> <li>➤ Building community support through outreach</li> <li>➤ Current staff capacity and experience to take on this project type</li> </ul>	

ii.	<p><b>Owner (4 pts)</b></p> <ul style="list-style-type: none"> <li>➤ Track record successfully owning housing financed with Low-Income Housing Tax Credits</li> </ul>	
	<p>o Experience owning affordable housing for low-income families, seniors and/or the homeless</p> <ul style="list-style-type: none"> <li>➤ Current asset management structure, staffing, and portfolio</li> <li>➤ Capacity for assuming asset management of an expanded portfolio once the development is complete</li> </ul>	
iii.	<p><b>Property Manager (8 pts)</b></p> <ul style="list-style-type: none"> <li>➤ Experience managing property for target populations</li> <li>➤ Experience achieving high rates of housing retention</li> <li>➤ Implements low barrier tenant selection policies</li> <li>➤ Contributes to long-term sustainability of the development</li> <li>➤ Achieves cost efficiencies in operations</li> </ul>	
iv.	<p><b>Service Providers (8 pts)</b></p> <ul style="list-style-type: none"> <li>➤ Experience delivering services to target populations</li> <li>➤ Experience linking residents to the City's safety net of services</li> <li>➤ Works with property management to achieve high rates of housing retention</li> <li>➤ Supports positive outcomes for residents around health and economic mobility</li> <li>➤ If applicable, provides explanation for service contracts terminated prematurely within the last 5 years</li> <li>➤ Discusses barriers to communities of color accessing quality health care services, employment and educational opportunities</li> </ul>	

v.	<p><b>Racial Equity Strategy (8 pts)</b></p> <ul style="list-style-type: none"> <li>➤ Describes level of racial equity awareness</li> <li>➤ Experience providing housing to COP and neighborhood preference holders</li> <li>➤ Uses innovative approaches to engagement with COP and neighborhood preference holders</li> <li>➤ Demonstrates commitment to racially diverse project development teams</li> </ul>	
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	<p>Proposes a substantive partnership that increases opportunity/capacity for growth of smaller and Black, Indigenous and people of color, (BIPOC)-led organizations</p> <ul style="list-style-type: none"> <li>➤ Demonstrates experience with serving historically excluded communities of color</li> <li>➤ Describes approaches to overcoming historical obstacles to communities of color obtaining high quality affordable housing</li> <li>➤ Describes experience providing access and implementing service delivery strategies to historically excluded communities of color</li> </ul>	
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<b>B. VISION:</b>		<b>60</b>
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i.	<p><b>Program Concept (20 pts)</b></p> <ul style="list-style-type: none"> <li>➤ Describes vision for a development program at this site, while best achieving the project goals, and includes:             <ul style="list-style-type: none"> <li>○ A residential program and other envisioned uses;</li> <li>○ Indicates how the proposed uses and amenities will enhance the lives of the proposed target population and the surrounding neighborhood.</li> </ul> </li> <li>➤ Indicates particular groups served by the programs and spaces (tots, children, teens, homeless people, young adults, adults, elderly, disabled etc.).</li> <li>➤ Describes how the program will contribute to lowering barriers to persons of color seeking and retaining quality housing.</li> </ul>	
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ii.	<b>Community Engagement Strategy (10 pts)</b> <ul style="list-style-type: none"><li>➤ Describes community engagement strategy and includes:<ul style="list-style-type: none"><li>○ The team’s philosophy on community engagement;</li><li>○ Process for establishing and/or building positive relationships with surrounding neighbors and the larger community;</li><li>○ Efforts designed to engage all interested community members, including monolingual</li></ul></li></ul>	
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	<p>non-English speaking members of the community;</p> <ul style="list-style-type: none"><li>○ How the Development Team intends to comply with the City’s Language Access Ordinance.</li><li>➤ Describes the Team’s approach to achieving entitlements for the project expeditiously and the Team’s approach to maintaining and building community relationships after entitlements have been achieved and the development is in operations.</li><li>➤ Indicate how particular community engagement strategy will address the historical exclusion of communities of color from quality housing, including but not limited to marketing to attract target populations.</li></ul>	
--	---	--

iii.	<p><b>Services Delivery Strategy (10 pts)</b></p> <ul style="list-style-type: none"> <li>➤ Describes the Development Team’s services delivery strategy and includes:           <ul style="list-style-type: none"> <li>○ The overall service philosophy;</li> <li>○ Model for providing any anticipated services to formerly homeless residents (including case management ratio and provision of amenities such as front desk clerks, if applicable);</li> <li>○ The services goals of the proposed vision.</li> </ul> </li> <li>➤ A brief description of the desired outcome of the services to be provided and innovative approaches to services provision, including the strategy of engaging residents and encouraging access to services.</li> <li>➤ Describes how services for residents will be coordinated with the existing network of services in the neighborhood and community.</li> </ul>	
iv.	<p><b>Finance &amp; Cost Containment Approach (10 pts)</b></p> <ul style="list-style-type: none"> <li>➤ Narration that describes the Development Team’s financing approach to the project.</li> <li>➤ Includes the Team’s process for structuring the project and controlling development costs.</li> </ul>	

	<ul style="list-style-type: none"> <li>➤ Includes innovative strategies intended to minimize MOHCD’s projected capital gap financing.</li> <li>➤ Describes any innovative (i.e. non-standard, routine or commonly used) direct or indirect cost-cutting strategies relevant to overall development, construction or operating expenses.</li> <li>➤ Do not include proforma financials.</li> </ul>	
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v.	<p><b>Racial Equity Strategy (10 pts)</b></p> <ul style="list-style-type: none"> <li>➤ Describes proposed resident services program, including the activities or types of services, how they will be provided, and the approach (such as timeline, hours and days of operation, examples, and best practices).</li> <li>➤ Explain how the Development Team’s model removes barriers to intergenerational wealth, self- sufficiency and resiliency for persons of color, particularly COP holders, African American households and/or households in historically African American neighborhoods.</li> <li>➤ Explain how the strategy aligns with the four primary goals of this RFQ set forth in the Introduction.</li> </ul>	
TOTAL POSSIBLE POINTS		100

1. Experience

In **no more than five pages** of written narrative (in Times New Roman font, 12 font size, 1-inch margins), describe how each member of the Proposed Development Team has the most relevant experience for the successful development of the Project. **Describe how the Development Team has implemented lessons learned from past affordable housing experience.** Please note that Respondents are not limited to discussing the Qualifying Project(s).

**a. Developer:** Describe the Developer’s track record successfully developing high- quality affordable housing, including supportive housing. In particular, discuss the Developer’s experience completing affordable housing development projects on time and on budget, obtaining competitive financing terms, developing type V/I or III/I construction, developing for low-income families, seniors and homeless people and building community support for mixed use projects (affordable residential with ground floor commercial) through outreach for similar projects. In addition, describe the experience and capacity of current staff to take on a project of this type.

**Attachment F: Site Map with amenities**



**Attachment G: Elevations and Floor Plans**



① NORTH ELEVATION - 26TH STREET FRONTAGE  
1/16" = 1'-0"

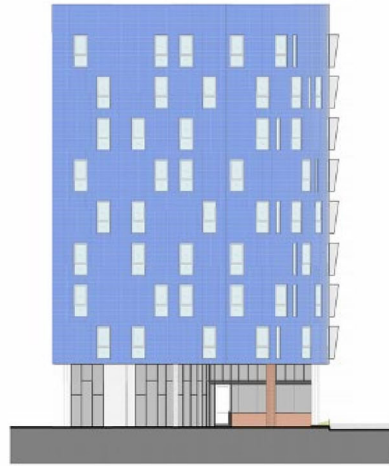


① WEST ELEVATION - SOUTH VAN NESS FRONTAGE  
1/16" = 1'-0"





① SOUTH ELEVATION @ SIDE ALLEY  
1/16" = 1'-0"



② SOUTH ELEVATION @ SHOTWELL  
1/16" = 1'-0"

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 1515 SOUTH  
 VAN NESS

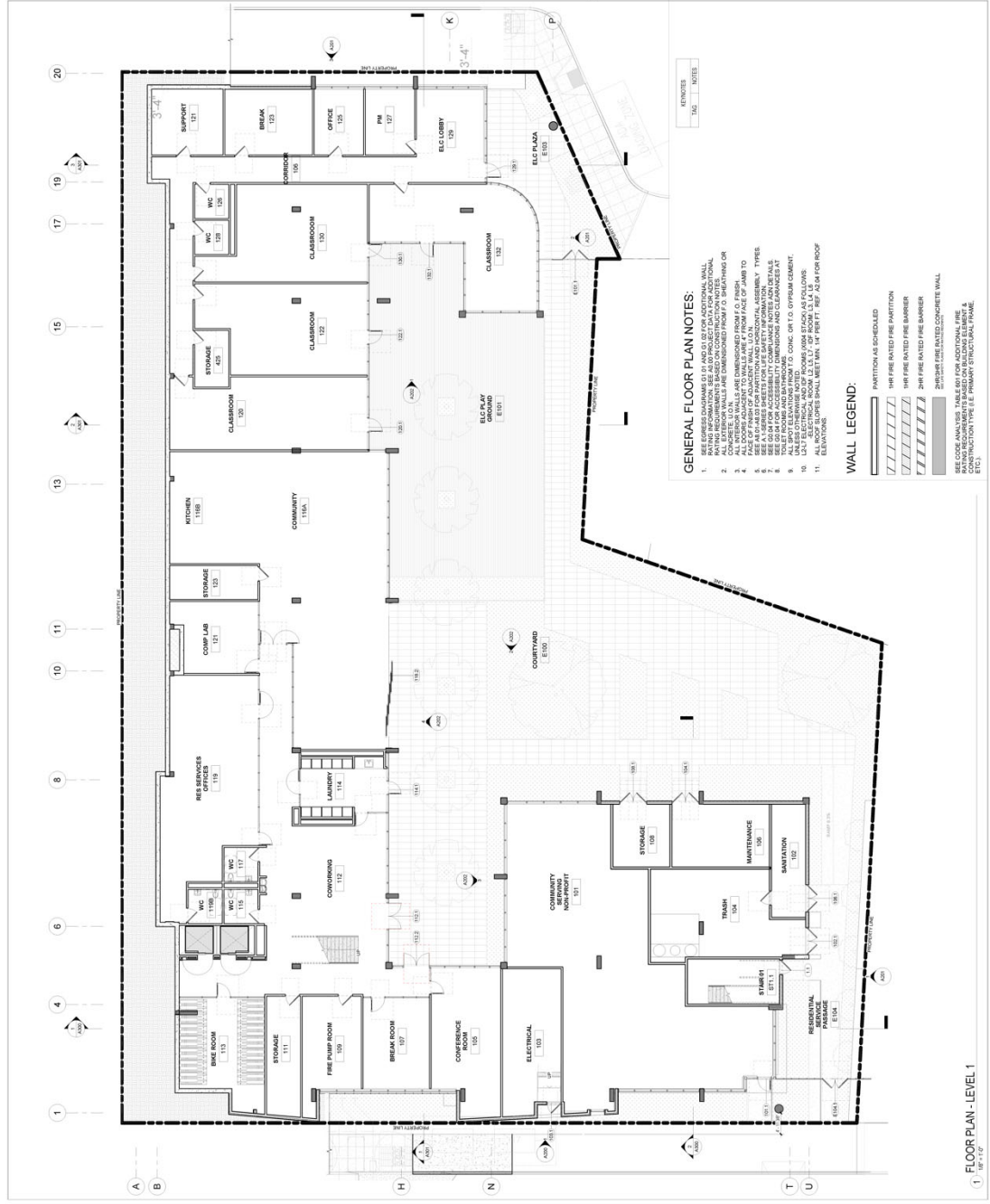


DESCRIPTION: Site Permit  
 SHEET NO.: 0201/0203

Scale: 1/8" = 1'-0"

Site Title: Site Permit  
 Drawing Title: FLOOR PLAN - LEVEL 1

Sheet No.: A111  
 Date: 06/30/2023  
 Project No.: 22002



- GENERAL FLOOR PLAN NOTES:**
- SEE SPECIFICATIONS 01 AND 02 FOR ADDITIONAL WALL FINISHES.
  - ALL INTERIOR WALLS ARE TO BE FINISHED WITH GYP-SM. ALL INTERIOR WALLS ARE TO BE FINISHED WITH GYP-SM UNLESS NOTED OTHERWISE.
  - ALL INTERIOR WALLS ARE DIMENSIONED FROM F.O. FINISH.
  - ALL INTERIOR WALLS ARE DIMENSIONED FROM F.O. FINISH TO FACE OF FINISH OF ADJACENT WALL, UNLESS NOTED OTHERWISE.
  - SEE A-1 SERIES SPECIFICATIONS FOR FINISH INFORMATION. TYPES ARE LISTED ON ARCHITECTURAL DIMENSIONS AND CLANDED AT.
  - SEE A-1 SERIES SPECIFICATIONS FOR FINISH INFORMATION. TYPES ARE LISTED ON ARCHITECTURAL DIMENSIONS AND CLANDED AT.
  - ALL BRICK CLAVING FROM F.O. CONC. OR TO CURB/STREET.
  - ALL ELECTRICAL ROOMS SHALL BE FINISHED WITH GYP-SM.
  - ALL ELECTRICAL ROOMS SHALL BE FINISHED WITH GYP-SM.
  - ALL ELECTRICAL ROOMS SHALL MEET MIN. 14" PER FT. REF. AS PER ROOF ELEVATIONS.

- WALL LEGEND:**
- PARTITION AS SCHEDULED
  - 1/2" FIRE RATED FIRE PARTITION
  - 1/2" FIRE RATED FIRE BARRIER
  - 2" FIRE RATED FIRE BARRIER
  - 2" FIRE RATED CONCRETE WALL
- SEE CODE ANALYSIS TABLE 600 FOR ADDITIONAL FIRE RATED PARTITION TYPES BASED ON BUILDING HEIGHT AND OCCUPANCY TYPE (E. PARTITION TYPES AND FINISHES, ETC.).

1 FLOOR PLAN - LEVEL 1  
 1/8" = 1'-0"

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 VAN NESS



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 VA studio  
 www.ya-studio.com  
 777 Francisco CA 94110  
 415.555.0000  
 Louise Clapp



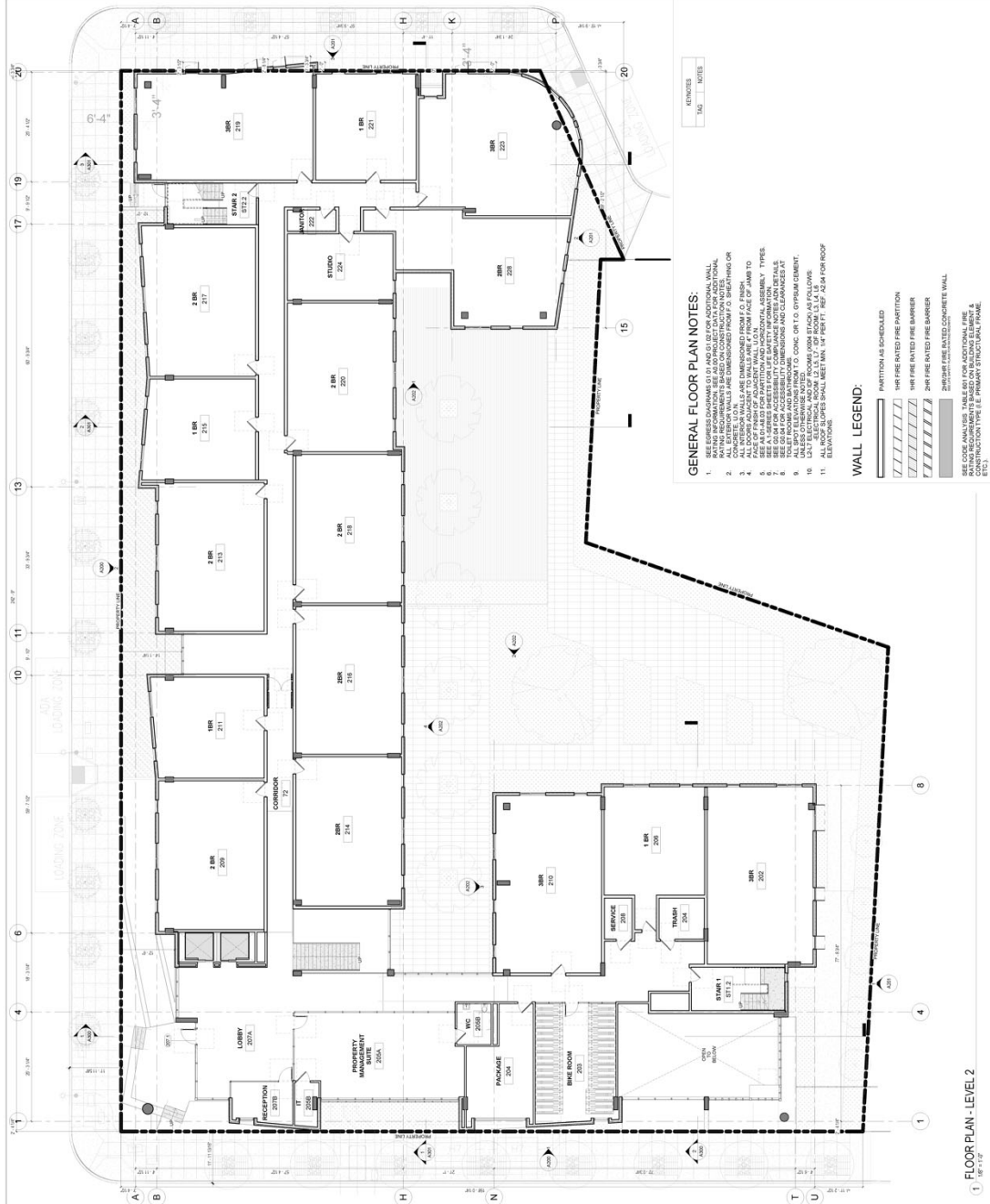
DESCRIPTION  
 Site Permit  
 DISCIPLINE  
 CIVIL/MECH

REVISION  
 NUMBER  
 DESCRIPTION

SHEET NO.  
 Site Permit

DRAWING TITLE  
 FLOOR PLAN -  
 LEVEL 2

DRAWING NO.  
**A112**  
 DATE  
 06/30/2023  
 PROJECT NO.  
 22002



- GENERAL FLOOR PLAN NOTES:**
- SEE SPECIFICATIONS TO 01 AND 02 FOR ADDITIONAL WALL INFORMATION.
  - ALL INTERIOR WALLS ARE CONCRETE UNLESS NOTED OTHERWISE OR OTHERWISE INDICATED.
  - ALL INTERIOR WALLS ARE DIMENSIONED FROM F.O. FINISH.
  - ALL INTERIOR WALLS ARE DIMENSIONED FROM FACE OF JAMB TO FACE OF FINISH OF ADJACENT WALL UNLESS OTHERWISE NOTED.
  - SEE A SERIES SCHEDULES FOR FINISH INFORMATION.
  - SEE A SERIES SCHEDULES FOR WINDOW AND DOOR INFORMATION.
  - SEE A SERIES SCHEDULES FOR ACCESSIBILITY DIMENSIONS AND CLEARANCES AT ALL DOORS AND WINDOWS.
  - ALL BRIDGE DIMENSIONS FROM F.O. CONC. OR TO OVP/RAIL CENTERLINE.
  - SEE ELECTRICAL SCHEDULE FOR ALL ELECTRICAL SYMBOLS AND LOCATIONS.
  - ALL ELECTRICAL SYMBOLS SHALL MEET MIN. 1/4" PER FT. REF. AS FOR ROOF ELECTRICAL.

- WALL LEGEND:**
- PARTITION AS SCHEDULED
  - 1/2" FIRE RATED FIRE PARTITION
  - 1/2" FIRE RATED FIRE BARRIER
  - 2" FIRE RATED FIRE BARRIER
  - 2" FIRE RATED CONCRETE WALL
- SEE CODE ANALYSIS TABLE 601 FOR ADDITIONAL FIRE PARTITION INFORMATION BASED ON BUILDING HEIGHT AND OCCUPANCY TYPE (E. PARTITION BARRIERS AND WALLS, ETC.).

1 FLOOR PLAN - LEVEL 2  
 18" x 11" @

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VAN NESS



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485 Folsom Street  
San Francisco, CA 94102  
415.864.6700



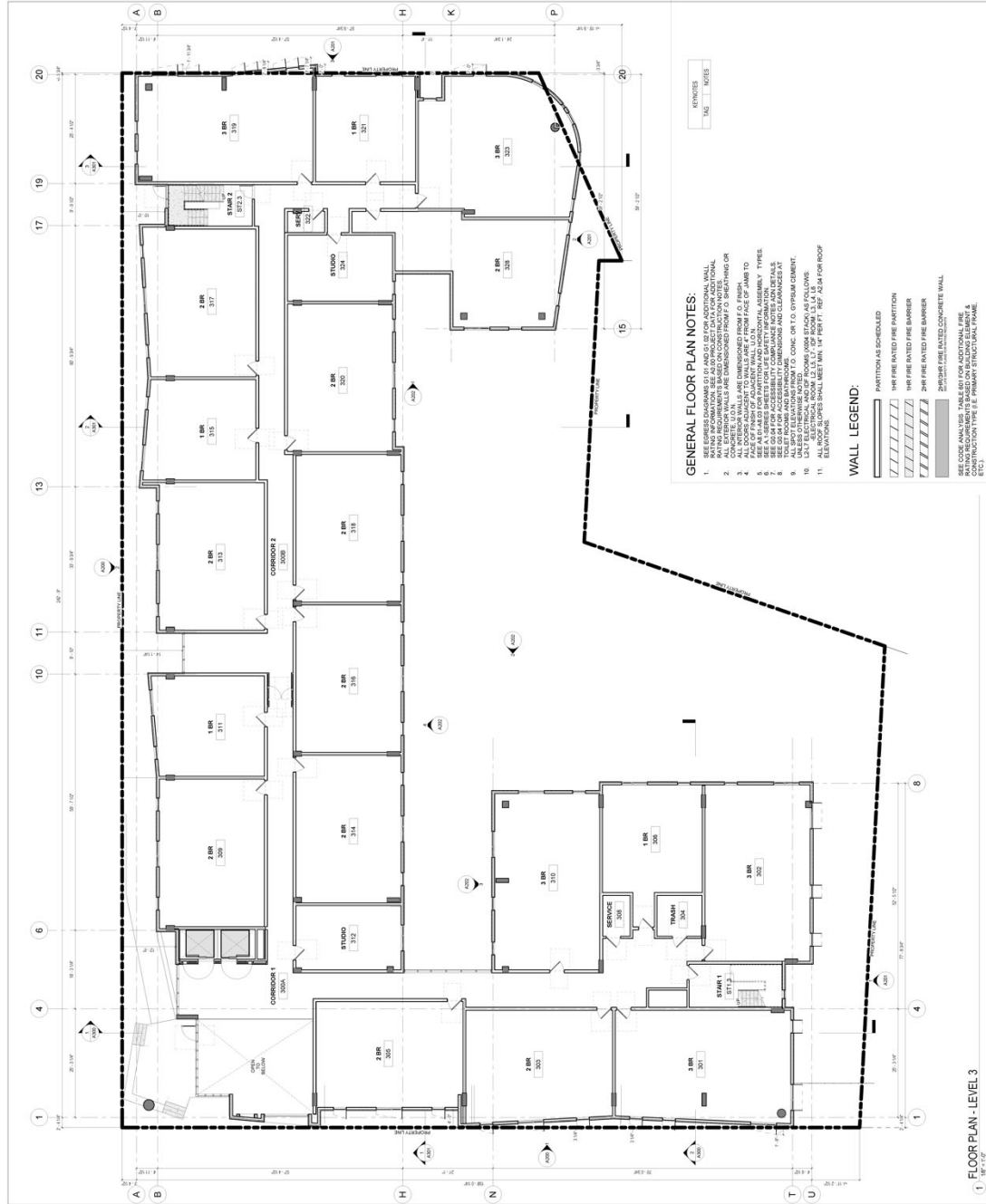
Y.A. studio  
Via studio  
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777 Folsom Street  
San Francisco, CA 94110  
415.553.0050  
Creative Studio



DESCRIPTION  
Site Permit

REVISIONS  
DATE  
DESCRIPTION

REVISION  
DATE



- GENERAL FLOOR PLAN NOTES:**
- 1. SEE EXPRESSIONS OF INTENT FOR ADDITIONAL FINISH SCHEDULES AND MATERIALS.
  - 2. ALL INTERIOR WALLS ARE TO BE CONCRETE UNLESS OTHERWISE NOTED.
  - 3. ALL INTERIOR WALLS ARE TO BE CONCRETE UNLESS OTHERWISE NOTED.
  - 4. ALL INTERIOR WALLS ARE DIMENSIONED FROM F.O. FINISH.
  - 5. ALL INTERIOR WALLS ARE TO BE CONCRETE UNLESS OTHERWISE NOTED.
  - 6. ALL INTERIOR WALLS ARE TO BE CONCRETE UNLESS OTHERWISE NOTED.
  - 7. SEE A SERIES SHEETS FOR SAFETY INFORMATION.
  - 8. SEE A SERIES SHEETS FOR SAFETY INFORMATION.
  - 9. ALL BRIT CLEANWATER TO CONC. OR TO CYPHUS GEMENT.
  - 10. ALL ELECTRICAL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITION OF THE NATIONAL ELECTRICAL CODE (NEC).
  - 11. ELEVATORS SHALL MEET MIN. 14' PER FT. REF. AS FOR ROOF ELEVATIONS.

**WALL LEGEND:**

---	PARTITION AS SCHEDULED
	1/2" FIRE RATED FIBER PARTITION
	1/2" FIRE RATED FIBER BARRIER
	2 1/4" FIRE RATED FIBER BARRIER
	2 1/4" FIRE RATED CONCRETE WALL

SEE CODE ANALYSIS TABLE FOR ADDITIONAL FIRE RATING INFORMATION BASED ON FOLLOWING MATERIALS AND CONSTRUCTION TYPE (E. PROPERTY STANDARDS TABLE, ETC.).

**FLOOR PLAN - LEVEL 3**  
1/8" = 1'-0"

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 YA studio  
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 San Francisco, CA 94110  
 415.774.8888

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 San Francisco, CA 94110  
 415.774.8888



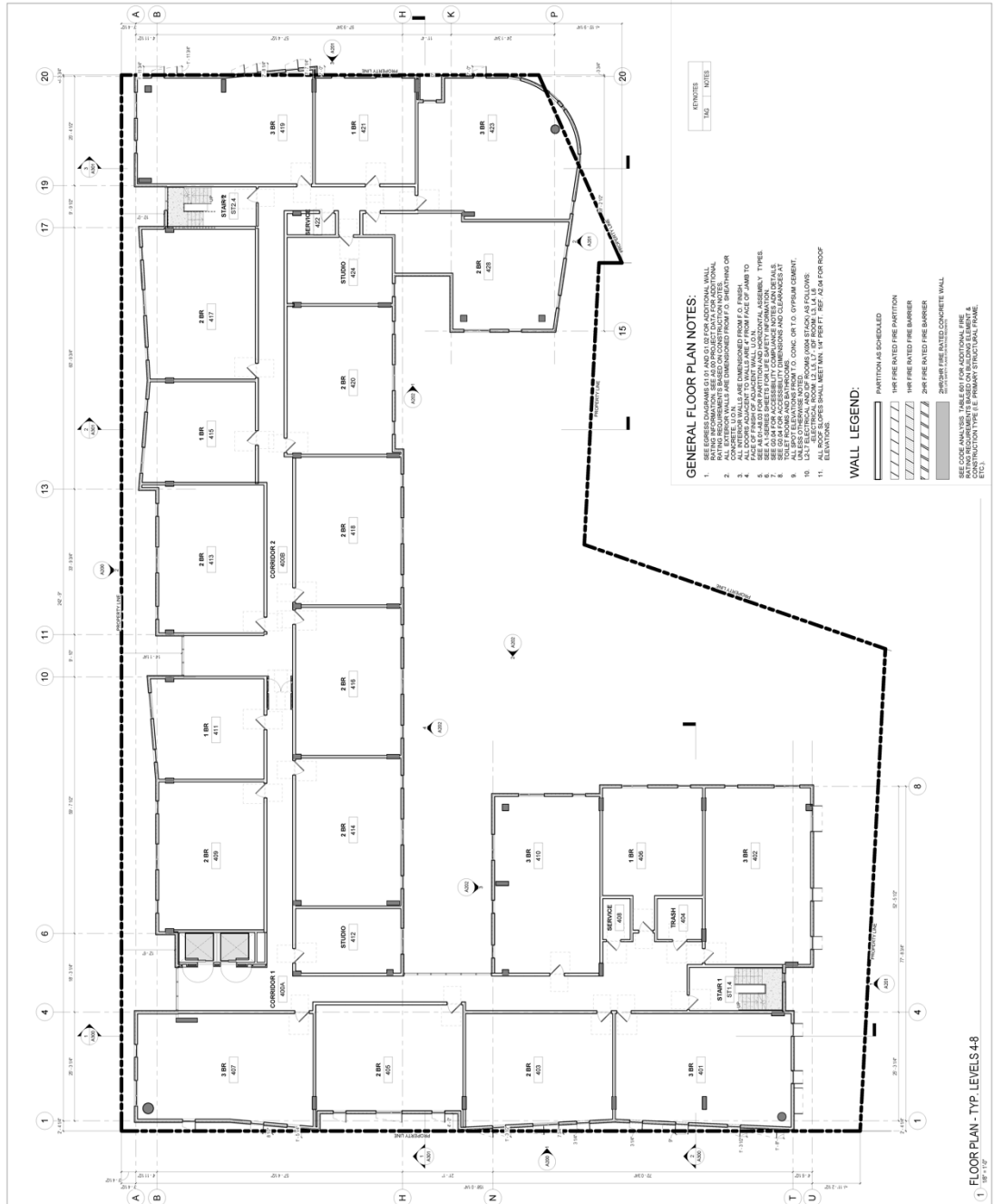
CONTRACTOR  
 Site Permit  
 HEAVENWORK  
 03/17/2023

Rev	Description	Date

Site Plan  
 Site Permit

Drawing Title  
**FLOOR PLAN -  
 TYPICAL LEVELS  
 4-8**

Sheet No.  
**A114**  
 Date  
 09/26/2022  
 Project No.  
 22002



- GENERAL FLOOR PLAN NOTES:**
- SEE EXPRESS GRADING BY AND TO DETERMINE EXISTING AND PROPOSED GRADE CONDITIONS. ALL EXISTING WALLS ARE TO REMAIN UNLESS OTHERWISE NOTED.
  - ALL EXTERIOR WALLS ARE TO BE CONCRETE BLOCK WITH 2" INSULATION OR 4" INSULATION.
  - ALL INTERIOR WALLS ARE DIMENSIONED FROM F.O. FINISH.
  - ALL INTERIOR WALLS ARE TO BE 1/2" GYPSUM BOARD ON 2x4 STUDS.
  - ALL PARTITIONS ARE TO BE 1/2" GYPSUM BOARD ON 2x4 STUDS.
  - SEE ALL SCHEDULES FOR PARTITION TYPES, WALL TYPES, AND FINISHES.
  - SEE ALL SCHEDULES FOR ACCESSORY CONDITIONS AND CLEARANCES AT ALL PARTITIONS.
  - ALL BRP TO BE INSTALLED TO 10' CONC. OR 10' GYPSUM CEMENT.
  - ALL BRP TO BE INSTALLED TO 10' CONC. OR 10' GYPSUM CEMENT.
  - ALL ELECTRICAL ROOMS SHALL BE 10' HIGH ROOMS WITH 10' CLEARANCE TO CEILING.
  - ALL ELECTRICAL ROOMS SHALL MEET MIN. 1" PER FT. REF. AS 104 FOR ROOF ELEVATIONS.

**WALL LEGEND:**

[Symbol]	PARTITION AS SCHEDULED
[Symbol]	1/2" FIRE RATED FIRE PARTITION
[Symbol]	1/2" FIRE RATED FIRE BARRIER
[Symbol]	2" FIRE RATED FIRE BARRIER
[Symbol]	2" FIRE RATED CONCRETE WALL

SEE CODE ANALYSIS TABLE FOR ADDITIONAL FIRE PARTITION REQUIREMENTS BASED ON BUILDING HEIGHT, AREA, AND OCCUPANCY (SEE TABLES 503 AND 504, IBC).

**FLOOR PLAN - TYP. LEVELS 4-8**

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 777 Folsom Street  
 San Francisco, CA 94110  
 415.774.3333  
 LICENSED STUDIO



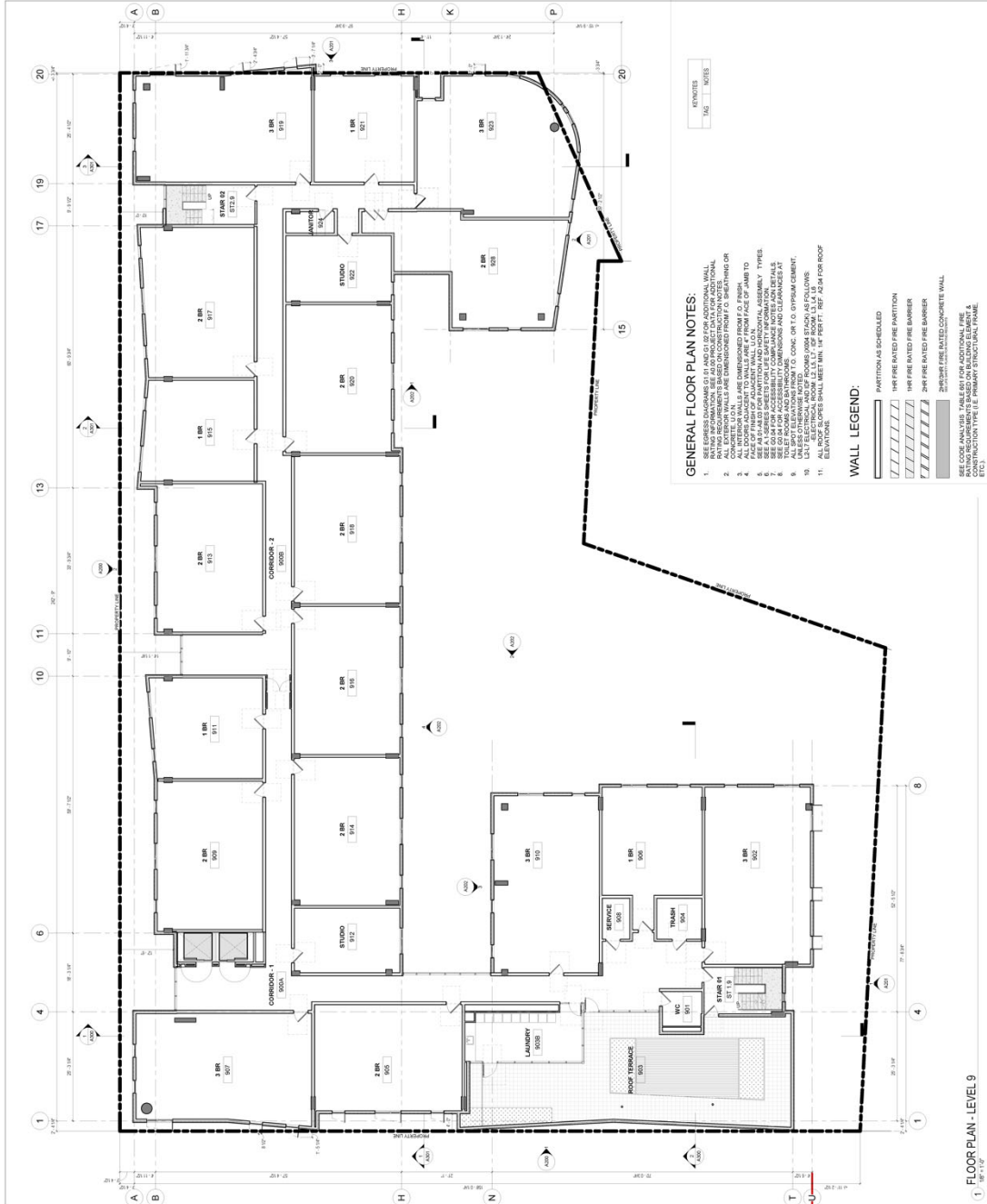
CONTRACTOR  
 DAVID BAKER ARCHITECTS  
 030312020

REVISION  
 DATE

Site Title  
**Site Permit**

Drawing Title  
**FLOOR PLAN - LEVEL 9**

Sheet No.  
**A119**  
 Date  
 09.30.2022  
 Project No.  
 22022



**GENERAL FLOOR PLAN NOTES:**

- SEE REVISIONS TO 10 AND 11 FOR ADDITIONAL WALL AND PARTITION INFORMATION.
- ALL INTERIOR WALLS ARE TO BE CONCRETE UNLESS NOTED OTHERWISE.
- ALL INTERIOR WALLS ARE DIMENSIONED FROM F.O. FINISH.
- ALL INTERIOR WALLS ARE DIMENSIONED FROM FACE OF JAMB TO FACE OF FINISH OF ADJACENT WALL, C.A.N.
- SEE A UNLESS SPECIFIED OTHERWISE FOR FINISH TYPE.
- SEE A UNLESS SPECIFIED OTHERWISE FOR ACCESSIBILITY DIMENSIONS AND CLEARANCES AT ALL DOORS.
- SEE A UNLESS SPECIFIED OTHERWISE FOR ACCESSIBILITY DIMENSIONS AND CLEARANCES AT ALL STAIRS.
- ALL STAIRS SHALL BE CONCRETE OR T.O. GYPSUM CEMENT.
- ALL STAIRS SHALL BE 44" WIDE.
- ALL ELECTRICAL SHALL BE 12" FROM WALLS.
- ALL ELECTRICAL SHALL BE 12" FROM ROOF.
- ALL ELECTRICAL SHALL BE 12" FROM ROOF.
- ALL ELECTRICAL SHALL BE 12" FROM ROOF.

**WALL LEGEND:**

- PARTITION AS SCHEDULED
- 1 1/2" FIRE RATED FIRE PARTITION
- 1 1/2" FIRE RATED FIRE PARTITION
- 2 1/2" FIRE RATED FIRE PARTITION
- 2 1/2" FIRE RATED CONCRETE WALL

SEE CODE ANALYSIS TABLE FOR ADDITIONAL FIRE RATING REQUIREMENTS BASED ON BUILDING ELEMENT & PENETRATION TYPE (E.G. PENETRATION THROUGH WALL, ETC.)

FLOOR PLAN - LEVEL 9  
 1/8" = 1'-0"

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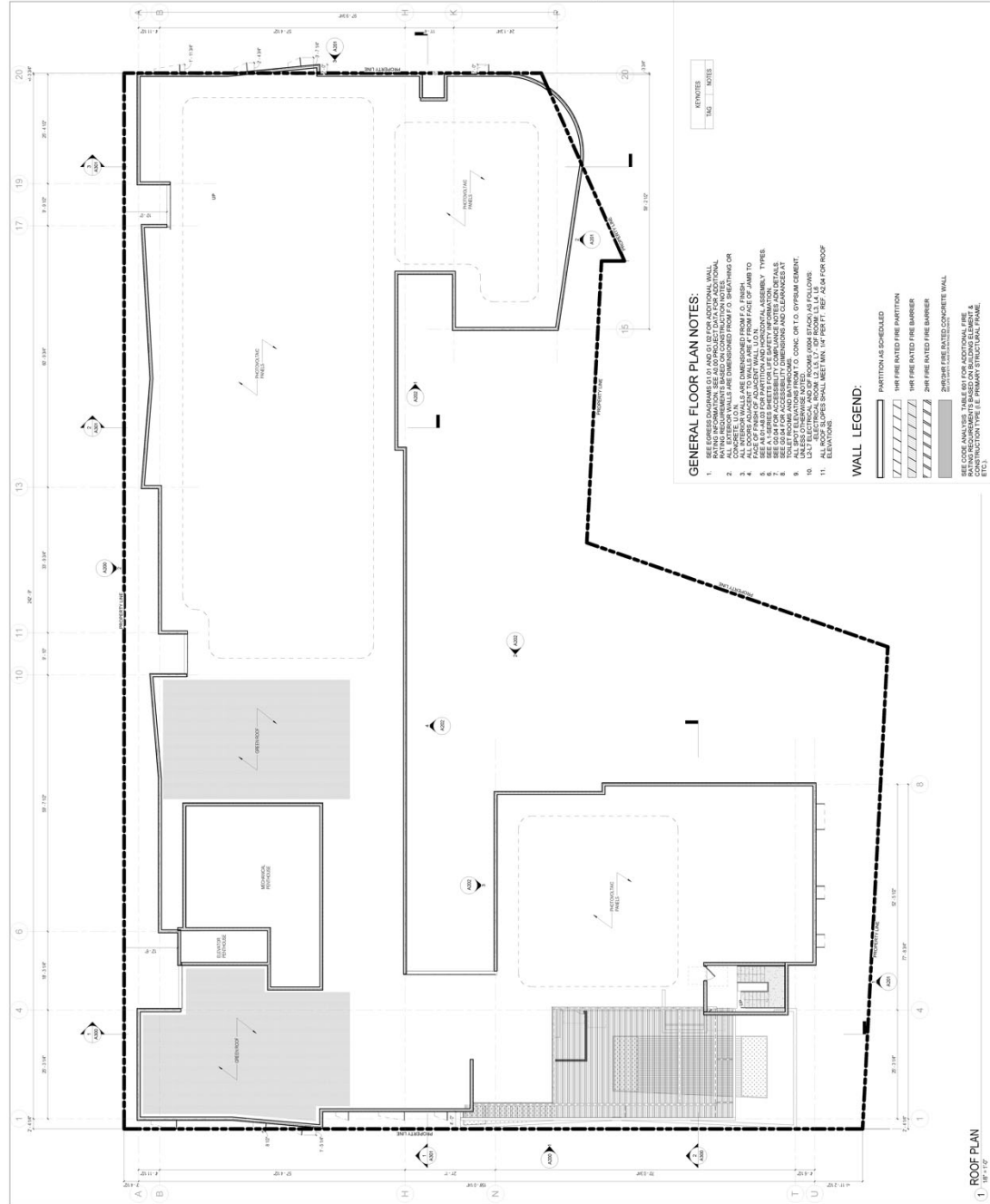
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 415.774.5510

**YA studio**  
 ya@yastudio.com  
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 San Francisco, CA 94110  
 415.382.6340  
 CONCRETE STAMP



**MEASUREMENTS**  
 DIMENSIONS: 0'-0" TO 10'-0"  
 DIMENSIONS: 10'-0" TO 50'-0"  
 DIMENSIONS: 50'-0" TO 100'-0"  
 DIMENSIONS: OVER 100'-0"

Revision	Date



**GENERAL FLOOR PLAN NOTES:**

- SEE REFERENCED DRAWINGS FOR ALL NOTES AND SCHEDULES.
- ALL INTERIOR WALLS ARE TO BE CONCRETE UNLESS NOTED OTHERWISE.
- ALL EXTERIOR WALLS ARE TO BE CONCRETE UNLESS NOTED OTHERWISE OR AS SHOWN IN SECTION.
- ALL INTERIOR WALLS ARE DIMENSIONED FROM F.O. FINISH.
- ALL DOORS ARE TO BE 30" X 80" UNLESS NOTED OTHERWISE.
- ALL DOORS ARE TO BE SWINGING INTO ROOM UNLESS NOTED OTHERWISE.
- SEE A SERIES PREPARED FOR SAFETY INFORMATION.
- SEE A SERIES PREPARED FOR ACCESSIBILITY INFORMATION.
- SEE A SERIES PREPARED FOR ACCESSIBILITY DIMENSIONS AND CLEARANCES AT ALL DOORS AND OPENINGS.
- ALL SPRINKLER RISERS FROM T.O. CONC. OR T.O. GYP/SHEET ROOFING TO T.O. ROOF SHALL BE 14" DIA. UNLESS OTHERWISE NOTED.
- ALL ELECTRICAL ROOMS SHALL BE 14" DIA. UNLESS OTHERWISE NOTED.
- ALL ELECTRICAL ROOMS SHALL MEET MIN. 14" FREE HT. REQ. FOR ROOF ELEVATIONS.

**WALL LEGEND:**

- PARTITION (AS SCHEDULED)
  - 1/2" FRI REINFC. FIRE PARTITION
  - 1/2" FRI REINFC. FIRE PARTITION
  - 2" FRI REINFC. FIRE BARRIER
  - 2" FRI REINFC. FIRE BARRIER
  - 2" FRI REINFC. FIRE BARRIER
  - 2" FRI REINFC. FIRE BARRIER
  - 2" FRI REINFC. FIRE BARRIER
  - 2" FRI REINFC. FIRE BARRIER
  - 2" FRI REINFC. FIRE BARRIER
  - 2" FRI REINFC. FIRE BARRIER
- SEE CODE ANALYSIS TABLE AND FOR ADDITIONAL FRI REINFC. REQUIREMENTS BASED ON BUILDING HEIGHT AND ZONING INFORMATION (E. FRAMEWORK, STAIR SHAFTS, ETC.).

**ROOF PLAN**  
 1/8" = 1'-0"

Site Title  
**Site Permit**

Drawing Title  
**FLOOR PLAN - ROOF**

Sheet No.  
**A120**  
 Date  
 09/30/2022  
 Project No.  
 22002

**ED 13-01**  
 100% AFFORDABLE  
 HOUSING VIA MOHIC  
 1515 SOUTH  
 VAN NESS



David Baker Architects  
 461 S. Van Ness Street  
 San Francisco, CA 94107  
 415.558.9725

**YA studio**  
 YA studio  
 777 E. Van Ness Street  
 San Francisco, CA 94110  
 415.774.8888

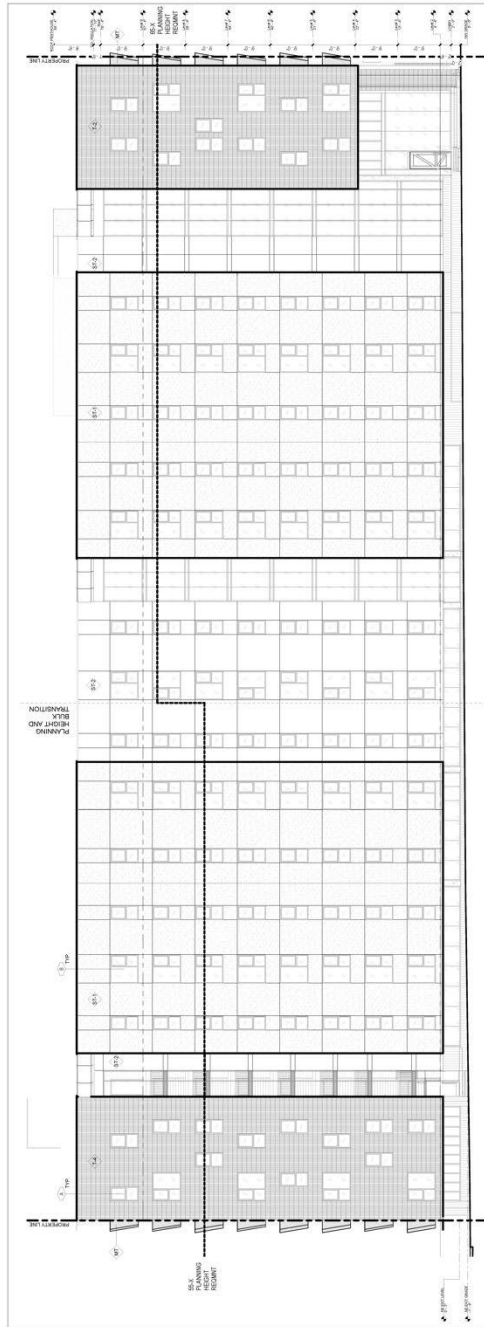


Contract No. 000112023  
 Sheel Permitt

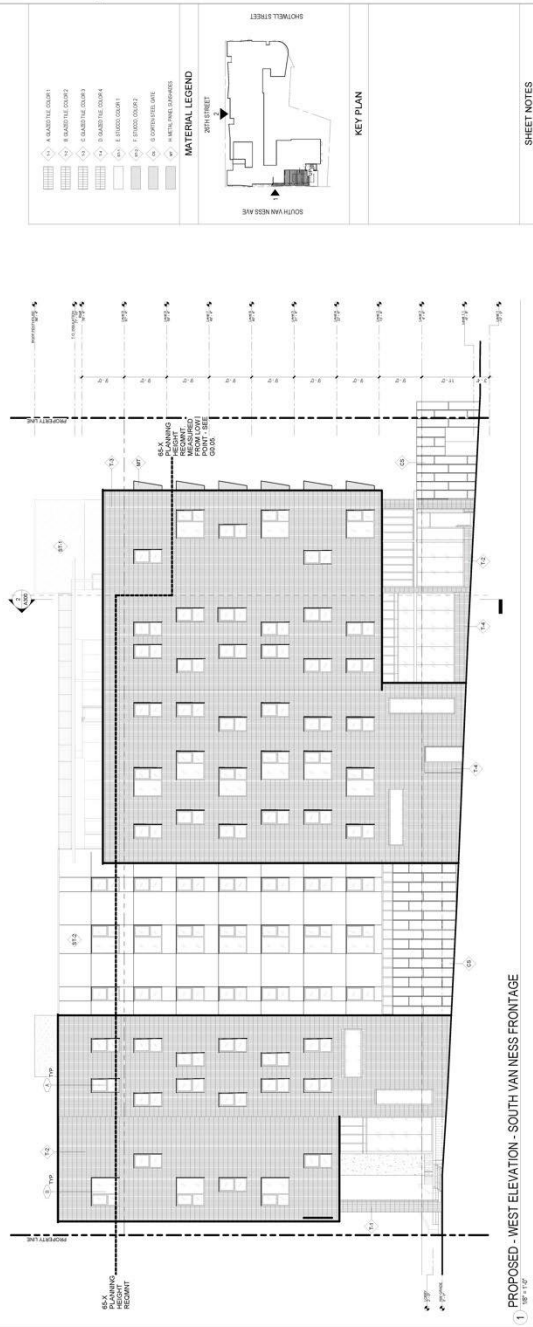
Revision  
 No. | Description | Date

Site Permit  
 Drawing Title  
 BUILDING  
 ELEVATIONS

Sheet No.  
**A200**  
 Date  
 09/03/2022  
 Project No.  
 22002



2 PROPOSED - NORTH ELEVATION - 25TH STREET FRONTAGE  
 1/8" = 1'-0"



1 PROPOSED - WEST ELEVATION - SOUTH VAN NESS FRONTAGE  
 1/8" = 1'-0"

SHEET NOTES



**ED 13-01**  
 100% AFFORDABLE  
 HOUSING VIA MOHCD  
 1515 SOUTH  
 VAN NESS



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 481 SERRA LOMA BLVD, SUITE 100  
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 SAN FRANCISCO, CA 94118  
 415.441.4444  
 Lucinda Stang



REVISIONS  
 DATE  
 DESCRIPTION

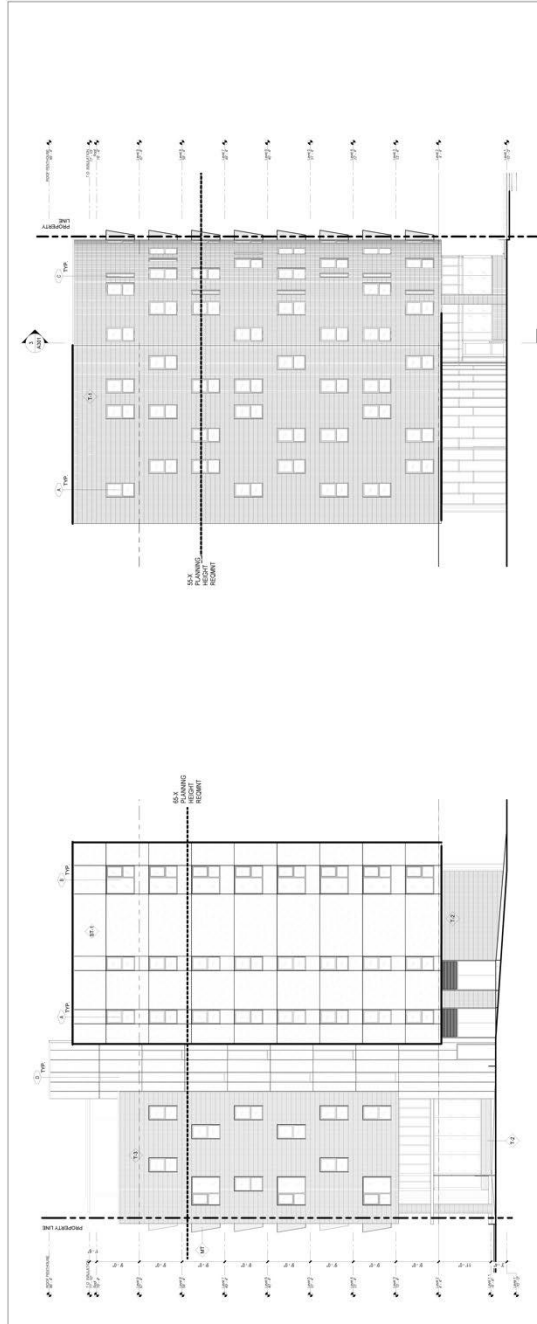
DATE  
 DRAWING TITLE  
 SHEET NO.

Site Permit

Building  
 Elevations

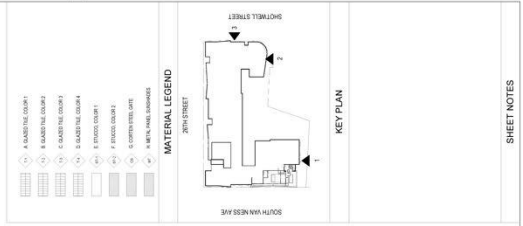
Sheet No.  
**A201**

DATE  
 PROJECT NO.  
 00-30-2022  
 2023



PROPOSED - SOUTH ELEVATION @ SHOTWELL  
 2 1/8" = 1'-0"

PROPOSED - SOUTH ELEVATION @ SIDE ALLEY  
 1 1/8" = 1'-0"



SHEET NOTES



PROPOSED - EAST ELEVATION - SHOTWELL FRONTAGE  
 3 1/8" = 1'-0"



**Attachment I: Predevelopment Budget**

N/A

# Attachment J: Development Budget

## GENERAL PROJECT INFORMATION

Application Date	6/2/2023	Current AMI/Rent Year:	2023
1st Yr of Operations	2026		
1st Month of Operations (1-12)	9		

This application for financing is for (select only one): **Complete 'New Proj - Rent & Unit Mix' Sheet**

New Construction  
 Existing Development

Financing is requested for:  
 Acquisition/Predevelopment/Construction  
 Permanent/Gap

Local Funding Programs:  
 Small Sites Program  
 PASS Program  
 LOSP Program

### PROPOSED DEVELOPMENT

Project Name	1515 South Van Ness	Project Street #	1515	Project Street Name	South Van Ness	Project Street Suffix (St/Ave/etc.)	Avenue	Project Zip Code	94110
Project Neighborhood	Mission	Supervisorial District	9	Real Estate District	9 - Central East	Building Type	Midrise (40-85', or 4-6 stories)	Gross SF	200,197
# Floors	9	Occupancy Type	Other	Supportive Housing?	Yes	Transitional Housing?	No	If Transitional, # Beds	
Total Units	168	# of Affordable Units	167	# Comm Units	2	Comm SF		Project Sponsor (parent entit(ies), not LP)	Chinatown CDC & Mission Economic Development Ag
Ownership Type	Non Profit Corporation	Property Owner	Casa Adelante SV Housing, L.P.						
Property Owner Contact Name	Omar Rahmaoui/Laura Daza-Garcia	Property Owner Contact Title	Project Manager	Property Owner Contact Email	omar.rahmaoui@chinatowncdc.org / ldaza@m	Property Owner Contact Phone	(415) 935-2476 / (415) 374-1213		

### PROPOSED UNIT DISTRIBUTION

Unit Types	Proposed # Units include Mgr's Unit(s)	% of Total Units	Target Population	Narrative: Please provide summary of target population proposed to be served.
SRO		0%	Families	120
Studio	15	9%	Persons with HIV/AIDS	5
1 BR	32	19%	Homeless Persons	42
2 BR	77	46%	Mentally or Physically Disabled	
3 BR	44	26%	Developmentally Disabled	
4 BR		0%	Seniors	
5 BR		0%	Persons with Substance Abuse	
Total Units	168	100%	Domestic Violence Survivors	
			Veterans	
			Formerly Incarcerated	
			Transition-Aged Youth ("TAY")	

### PROJECT FINANCING

In the table below, please provide information about all existing and proposed project financing, including all hard and soft debt lenders. Lenders should be listed in lien order with the most senior lender in the first lien position and the most junior lender in the last lien position. Enter information for all columns. If not applicable, enter "N/A."

**Data entry below is required! Drop down menus in the 1st Year Operating Budget will not work if the Project Financing Table is not completed.**

Lien Order	Lender (and Funding Program if applicable)	Total Funding Amount	Interest Rate	First Repymt Due Date	Maturity Date	Hard Debt/Soft Debt/Both	Repayment Terms (select from drop down)	Annual Payment Amount (or N/A, if not applicable)	Notes (please note any anticipate changes to repayment obligations)
1	Conventional Perm loan	4,910,000	6.16%		15 years	Hard	Periodic	502,308	
2	MOHCD Perm Loan	44,360,000	3.00%		57 years	Soft	Residual receipts		
3	MHP	37,930,397	3.00%		55 years	Hard	Periodic	159,308	
4	Deferred Developer Fee	400,000							
5	GP Equity	500,000							
6	Investor Equity	77,188,918							
7	Accrued Interest City Loan	630,988							
8	MOHCD AHP	1,000,000							
9									
10									
<b>Total Funding:</b>		<b>\$166,920,303</b>							

Enter Int Rate! Enter 1st Repymt Date! Enter Maturity Date! Enter Debt Type! Enter Repymt Terms! Enter Annual Pymt Amt!

Does the project have/will have HCD financing?	Yes	Acquisition cost minus the present value of 55 years of ground lease base rent payments. (This data informs the pro rata split of residual receipts, see worksheet 6, I134-I138 for detailed breakdown.)	Does the project have/will have Federal Funding?	No
--	-----	--	--	----

### PROPOSED RENTAL SUBSIDIES

PROPOSED RENTAL SUBSIDIES	RESIDUAL RECEIPTS/GROUND LEASE INFORMATION
Enter # of units proposed to be supported by each rental subsidy type.	Does/Will the project have a MOHCD/OCII Residual Receipts loan repayment obligation?
LOSP	42
Project-Based-Section 8	Will the project defer the payment of the Developer Fee, and therefore have two different Residual Receipts splits? (See Developer Fee Policy.)
Project-Based-Section 8 (Mod Rehab SRO)	1st Residual Receipts Split
HAP Contract With (Select if any PB-Sec8 Units):	% of Residual Receipts available for distribution to all soft debt lenders:
Section 8-Voucher	50%
HOPWA	% of Residual Receipts available for distribution to Deferred Developer Fee:
PRAC - 202	2nd Residual Receipts Split
PRAC - 811	% of Residual Receipts available for distribution to all soft debt lenders:
S+C	67%
VASH	% of Residual Receipts available for distribution to Owner:
HOME TBA	33%
Other: Plus Housing	Total Developer Fee
5	3,100,000
	Amount of Deferred Developer Fee - Data entry is required for subsequent worksheets.
	400,000
	Does/Will the project have a MOHCD/OCII ground lease?
	Yes
	Does/Will the project have a non-MOHCD/OCII ground lease?
	No
	If yes, enter Lessor name:
Must Pay Base Rent Amount:	15,000
Residual Rent Amount:	0
Annual Rent Amount:	15,000



