



London N. Breed
Mayor

Daniel Adams
Director

Citywide Affordable Housing Loan Committee
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

MEMORANDUM

DATE: FEBRUARY 16, 2024
TO: CITYWIDE AFFORDABLE HOUSING LOAN COMMITTEE
FROM: SARA F. AMARAL, DIRECTOR OF HOUSING DEVELOPMENT

RE: 735 DAVIS – COMMERCIAL REQUEST

AHF JOBS LINKAGE	\$537,608	Previously Committed
AHF JOBS LINKAGE	\$663,708	Reallocated Residential Funds
<u>HOUSING TRUST FUNDS</u>	<u>\$36,543</u>	New Funds
TOTAL	\$1,376,680	

88 BROADWAY - COMMERCIAL REQUEST

AHF INCLUSIONARY	\$1,894,794	Previously Committed
AHF INCLUSIONARY	\$1,196,499	Reallocated Residential Funds
<u>HOUSING TRUST FUND</u>	<u>\$473,667</u>	New Funds
TOTAL	\$3,416,310	

TOTAL PREVIOUSLY COMMITTED FUNDS	\$2,432,402
TOTAL REALLOCATED RESIDENTIAL	\$1,860,207
<u>TOTAL NEW COMMERCIAL FUNDS</u>	<u>\$510,210</u>
TOTAL COMMERCIAL FUNDS	\$4,802,819

1. SUMMARY OF REQUEST

88 Broadway and 735 Davis are two affordable housing projects located within one City block on two separate parcels, owned by the Port of San Francisco and MOHCD, respectively. Each project has completed construction, and the residential parcels are in operation. The John Stewart Company and BRIDGE Housing (together, the Sponsor) are requesting to use some of the remaining unspent funds from each of the residential loans, plus some additional funds, to build out the commercial parcels within each building's footprint. This investment will increase the

marketability of the parcels and allow the Sponsor to identify commercial tenants. The new commercial funds will be added to the Sponsor's existing commercial loans for each property.

The Citywide Loan Committee (Loan Committee) approved the original gap loans for these projects on January 18, 2019, and at that time, the Sponsor did not have a commercial tenant identified for these spaces. Warm shell funds were included as part of the costs for 735 Davis, but due to increases in construction costs during Covid, these funds were spent on cold shell buildouts. The Sponsor had anticipated a stronger commercial market, on the advice of the commercial leasing agent and commercial rental comparison study and had intended that a market rate tenant would build out the tenant improvements without City funds. However, considering the current market, the Sponsor is now requesting funds for warm shell and commercial tenant improvements. This funding request is also a request to waive the MOHCD commercial underwriting guidelines for these two commercial projects, including a waiver to the use of funds for warm shell and tenant improvements.

After completing the build out and commercial lease signing, the Sponsor will repay the MOHCD loans with a 67%/33% split of surplus commercial cash flow. The loans will accrue at 3% simple for 20 years from permanent conversion of the residential housing. In the event the market improves, and commercial debt becomes more financially viable, the Sponsor may take out a commercial loan to pay off the MOHCD commercial debt.

2. BACKGROUND ON COMMERCIAL ISSUES

Current vacancies for commercial spaces in San Francisco are high: 1) retail vacancy is at 7.5%+; 2) office vacancy is at 36%; and 3) restaurant vacancy is around 10%+, making this a tenant's market. The rental rates for a restaurant space are hovering around \$3-\$4 per square foot (sf.) a month (mo.), \$3-\$6 sf/mo. for a café space, and \$3/sf/mo. for an office space on average. The Sponsor's broker, Maven Commercial ("Maven"), indicated that there are many fully built-out spaces in all commercial types, and it will be difficult to find tenants who would willingly fund warm shell and tenant improvement costs, regardless of the rent. A fully built-out space does not necessarily equate to higher rent, but rather more potential tenants will be interested in the space, since less work is involved for the build out. In addition to an extensive warm shell buildout, Maven advises a high Tenant Improvement (TI) allowance would be required to attract a restaurant tenant, with buildout estimates as high as \$1,000 per sf, or roughly about \$4.6M for the 88 Broadway Commercial Space. This is partly due to the current market, but also due to the prevailing wage requirements which are triggered by the Project's location on City-owned land. Per the General Contractor prevailing wage add 25-30% premium to the development costs. Similarly, build-out costs for café spaces, assuming prevailing wage, are \$800 - \$1,000/sf and approximately \$700/sf for office use. This is a cost most tenants cannot afford to pay.

The commercial spaces were originally programmed to accommodate a restaurant at 88 Broadway, with the cold shell for this space including a Type I commercial hood, and a café at 735 Davis. Maven indicated that large unfinished restaurant spaces, such as the space at 88 Broadway, are very difficult to lease due to the surplus of fully built restaurant spaces on the

market. Additionally, the surrounding neighborhood currently has little foot traffic but that may change when the delayed Teatro Zinzanni Theater and hotel are constructed on the parcel located across from 735 Davis, currently anticipated on hold until the theater obtains financing.

Rather than attempt to lease as a restaurant space at 88 Broadway in this difficult market, Maven suggests that the space be built out in the interim and rented for a nonprofit use such as a space for service providers, learning hub for school aged children, an additional preschool or ancillary YMCA space. The Sponsor has also reached out to the SF-Marín Food Bank and Episcopal Community Services of San Francisco as potential tenants. The proposed rent for any interim nonprofit tenant would be significantly discounted and could potentially not provide sufficient funds to repay the interest to the City. It is the Sponsor's intention that when the market improves, a higher-paying restaurant tenant can be secured for the space.

The program for the café at 735 Davis has not changed. Maven and the Sponsor are working to identify potential tenants that are interested in 'grab and go' café spaces that do not require a Type I hood and can provide food affordable to residents. The additional money for the café space is for a warm shell, plus basic countertops, cabinets, sinks and appliances suitable for a warming kitchen.

The ground lease for both commercial spaces are owned by a limited partnership of each affordable housing developers. The Commercial Master Lease will be transferred to Broadway Davis Retail Associates, LLC (the LLC) which will own and manage these spaces. There are cost savings on each of the original residential loans currently and funds are available for use. The original loan agreements for both sites will be amended to reduce the residential funds by the funds available to draw, and those funds will be transferred to each commercial loan. In addition, the Sponsor is asking for less than \$500k in new funds to be split between the two projects to complete the build out. MOHCD will not disburse tenant improvement dollars from the loans until a tenant is procured and a Letter of Intent (LOI) provided. Upon completion of buildout, the commercial loan payments will be made annually, and will be 67% of the surplus cash flow. The remaining cashflow will go to the Sponsor.

3. PROJECT SPECIFICS – 88 Broadway

The 88 Broadway ("88 Broadway") project is a 125-unit family building serving low-income and middle-income families, including 31 Project-Based Voucher subsidized units with a preference for HOPE SF residents who voluntarily elected to relocate to new housing at 88 Broadway. 88 Broadway is located on Port-owned land that is on the west half of the block bounded by Broadway to the south, Vallejo to the north, Front to the west and Davis to the east. The 125 family units include a mix of 16 junior one-bedrooms (studios), 37 one-bedrooms, 48 two-bedrooms, and 24 three-bedrooms. It has been in operation since 2021.

The 8,600-sf interior commercial space at 88 Broadway (88 Broadway Commercial) is located in the ground floor podium of the 6-story building and is subdivided into two separate commercial condos. Original plans were for a 4,200-sf childcare center, and 4,300 sf restaurant. The original MOHCD Commercial loan for 88 Broadway was underwritten for \$1,894,794 and included

funding of \$883,420 for commercial warm shell improvements for a restaurant buildout. The YMCA childcare build out of approximately \$2.5M is part of the residential loan. This amount included \$1.2M for warm shell. The warm shell for the YMCA was built out, but the warm shell costs for the restaurant were not used, but for \$3,500 in design costs. The YMCA is fully operational and renting at \$1 per year, and currently has an enrollment of 43 children. To date, approximately \$1,200,000 of the residential loan remains unspent and the original commercial loan has been fully expended. After a payment made at project completion to the commercial loan the current outstanding debt is \$1,746,144.

As mentioned previously, while the restaurant space was built out to cold shell consisting of exposed concrete slab, rough-in plumbing, stub outs for mechanical systems, installation of a Type I hood, and main electrical and gas service, each separately metered for the commercial space, the Sponsor has been unable to secure a tenant for the space, due to the changes in the current commercial market, lack of interest in unbuilt out restaurant space, plus cost of prevailing wage requirements. As such, the LLC wishes to develop the 88 Broadway Commercial Space into a Warm Shell with Tenant Improvement (TI) reserve, to the extent there are remaining funds that would be suitable for a nonprofit office space. The scope of the project includes:

- Interior improvements from base building “cold shell” scope of work,
- Coordination with base building scope of work and base building architect,
- New bathrooms,
- Paint, and other interior finishes,
- Eight new partitions,
- Flooring finishes, dropped ceilings, additional lighting scope, and other interior finishes to suit a non-profit tenant office space, and
- Mechanical, Electrical, Data, and Lighting plans as a basis for the Design Build Contractor.

Permit Drawings for 88 Broadway Commercial Space were approved by the Port of San Francisco, and the building permit has been issued. Leddy Maytum Stacy architects is the architect for both the base building and the commercial TIs. Nibbi Brothers General Contractors were awarded the contract for the commercial buildout through the City’s procurement process and approved by the Contract Monitoring Division. Assuming a February Loan Committee approval, the warm shell build out would begin in April 2024, and be finished in November 2024. Maven and the Sponsor will continue to reach out to nonprofit organizations for occupancy at 88 Broadway as an interim use and a short-term lease of three years, with the long-term goal of securing a restaurant tenant once the commercial market improves. The budget shown below reflects the costs for a warm shell vanilla office/service space.

A. Updated Sources and Uses Summary – 88 Broadway – Exhibit B

MOHCD provided a total Gap loan for both residential and commercial uses of \$30,943,470, but only \$28,860,050 was disbursed. The Sponsor then made a repayment of residential principal in the amount of \$2,303,777 in September 2022 at project completion. After this payment was made, the amount drawn on the residential loan is \$25,071,508, but has an additional \$1,196,499 available to draw in residential funds. As mentioned previously, there is \$1,746,144 drawn on the commercial loan. The remaining \$1,196,499 residential funds will be transferred to the commercial loan for this increase in scope of work. The Sponsor is also requesting an increase of \$423,667 in new funds. The final new commercial loan will be \$3,366,310.

Original terms of the 88 Broadway Commercial loan were 3% simple interest, with 50% Surplus Cash due annually, and a total loan term of 20 years from conversion date, which was September 1, 2022. New terms for the entire \$3,366,310 would be 3% simple interest, with 67% surplus cash flow, due in 20 years from the original conversion date. At present, the commercial loan has accrued \$X in interest.

88 Broadway Sources & Uses – New Split for Residential and Commercial Loans

	Gap Approval Jan-19	This Request Jan-24	
Sources	Original Amount	Change in Amount	Final Amount
Residential	\$29,048,676	(\$3,977,168)	\$25,071,508
Commercial	\$1,894,794	\$1,521,516	\$3,416,310
Total	\$30,943,470	(\$2,455,652)	\$28,487,818
Commercial Use	Drawn	Additional Amount	Total MOHCD Commercial Loan
Hard costs	\$1,552,346	\$1,383,555	\$3,129,699
Tenant Improvement Reserve	\$0	\$50,000	\$50,000
Soft Costs	\$0	\$136,849	\$136,849
Reserves	\$0	\$33,170	\$33,170
Commercial Agent Fee	\$0	\$116,592	\$116,592
Developer Fee	\$193,798	\$0	\$0
Total	\$1,746,144	\$1,720,166	\$3,466,310

*88 Broadway Loan has \$1,271,931 in funds available to draw on, which includes \$1,196,499 in residential funds that will be reallocated to the new commercial loan. The Project team is requesting this reallocation and an additional \$348,235 in new funds.

B. Commercial Operating Budget -88 Broadway – Exhibit C

The January 18, 2019, gap loan assumed a rental rate of \$4.00 per square foot for the restaurant. Maven believes that the rent will be \$1 to \$4/sf per month, depending on whether the tenant is a nonprofit providing a public benefit, or market-rate commercial tenant. Both leases will be structured as triple net leases with approximately \$11/sf/year in CAM charges billed back to the tenant.

The current MOHCD proforma is simple and minimal in cost. The current rental assumption is at \$4 per square foot at an annual rental amount of approximately \$223k per year, and a 50% vacancy for the 1st year, but no vacancy at all until year 7.

Other costs are as follows:

- Commercial management fee per year: 3.5% of the Effective Gross Income, which is rental income minus vacancy assumption. The first year fee is \$3,893 annually, but increases as income increases and vacancy decreases.
- Sponsor insurance: \$ 2,317 annually for liability insurance.
- Replacement reserve: \$0.20 per square foot and does not trend upward. Annual costs are approximately \$927.
- Operating Reserve: \$2,500 per year, trends at 2%,
- Other – Reserve for future commercial commissions to commercial agent: Assumes 6% of annual rent for a term of 6 years. Annual payments into this reserve start at \$8,008 and increase to over \$12k annually in year 20.

MOHCD Surplus Cash Payment: Based on 67% surplus cash, and assuming the assumptions above stay true, MOHCD can expect an annual payment of approximately \$62,693 in the first year of operations. Second year payment increases substantially to \$137,973. If trends stay constant, the total MOHCD expects to be paid in the 20 years is \$3,250,792.

C. Construction Representative Narrative

88 Broadway's Building Permit Application was issued by SF Port on June 22, 2023, and confirmation is needed that this permit has not expired. If expired, the permit will need to be renewed. The principal issues for 88 Broadway are as follows:

- Project Sponsor has confirmed that General Contractor Nibbi Brothers' GMP for the tenant improvements has increased due to increases in annual labor agreements. Project Sponsor will provide the ROM of increases and documentation for the increase before disbursement.
- Additional sound and vibration mitigation measures need to be provided given the occupied residential spaces above and adjacent to 88 Broadway.- Project Sponsor to provide description of measures to be incorporated.
 - Nibbi Brothers' work schedule will be 7am to 5pm. In deference to residents living directly above the Tenant Improvement Space, Project Sponsor to confirm whether the construction start time should be 8am instead.

- Project Sponsor to confirm that this work schedule will not increase the GMP.
- Project Sponsor has confirmed that no additional staging areas for construction and materials will be required beyond the Tenant Improvement Space.
- Project Sponsor anticipates no special traffic permits will be needed from SFMTA.
- Project Sponsor is confirming the extent of pro bono work will be performed by the Architects, Leddy Maytum Stacy. Additional soft costs for architectural construction administration services may be required.

4. PROJECT SPECIFICS – 735 Davis

The 735 Davis Street (735 Davis) project is a 53-unit building serving formerly homeless and low-income seniors. The building is located on City-owned land and is on the eastern half of the same block as 88 Broadway with existing buildings to the north and south. The 53 senior units include a mix of 23 junior one-bedrooms, 29 one-bedrooms, and 1 two-bedrooms. It has been in operation since 2021.

The commercial space is located in the ground floor podium of the 6-story building and consists of one commercial condo of approximately 1,178 sf (735 Davis Commercial). The original 735 Davis loan from MOHCD included a small budget of \$192,423 for warm shell build out for a café, although to date the space is built out as a cold shell and includes exposed concrete slab, rough-in plumbing, stub outs for mechanical systems, and main electrical and gas service, each separately metered for the commercial space. The original commercial loan for 735 Davis was underwritten at \$537,608 of which \$347,727 has been drawn. Only \$39k in warm shell costs have been expended for design. Considering the difficulties of attracting higher paying tenants, Maven suggests developing the 735 Davis Commercial space from a cold shell to a warm shell “plus” Tenant Improvements (TI) sufficient for a startup business to run a café with minimal additional TI improvements required. The scope of the proposed project includes:

- Interior improvements from base building cold shell scope of work to warm shell,
- Coordination with base building scope of work and base building architect,
- 1 new bathroom,
- Assume warming kitchen only at this location,
- Interior finishes and basic countertops, cabinets, and suitable for a café space, and
- Electrical, Data, and Lighting plans as a basis for a design build contractor.

Permit Drawings for 725 Davis Commercial space will be submitted to the San Francisco Department of Building Inspection (SFDDBI) and no problems with over-the-counter approval are anticipated. LMSa is the base building architect and is also the architect for the commercial TIs. Nibbi Brothers General Contractors was awarded the contract for the commercial buildout through the City’s procurement process and approved by the Contract Monitoring Division. Assuming a March Loan Committee approval, the warm shell build out would begin in May 2024, and be finished in November 2024. Maven continues to actively look for a café tenant and

indicates that their ability to lease the space is significantly improved if they can show potential tenants a built-out space.

A. Updated Sources and Uses Summary – 735 Davis – Exhibit F

The original residential and commercial loan was \$19,583,557, with all but \$992,500 drawn through the end of construction of the residential building, of which \$663,708 is available from the residential loan and \$328,792 is available from the commercial loan. Upon review of the Project’s cost certification, dated October 28, 2022, the Sponsor will need to reallocate \$138,911 of the residential to the commercial loan. In addition, a payment was made to the residential loan in September 2023, for \$311,685, which further reduced the residential loan to what is presented below. The Sponsor is asking for \$36,453 in new commercial funds. The final new commercial loan will be \$1,376,680.

Original terms of the 735 Davis Commercial loan was 3% simple interest, with 50% Surplus Cash due annually, and a total loan term of 20 years from conversion date. New terms for the entire \$1,376,680 would be 3% simple interest, with 67% surplus cash flow, due in 20 years from the original conversion date.

735 Davis Sources & Uses – New Split for Residential and Commercial Loans

	Gap Approval Jan-19	This Request Jan-24	
Sources	Original Amount	Change in Amount	Final Amount
Residential	\$19,045,949	(\$1,114,304)	\$17,931,645
Commercial	\$537,608	\$839,072	\$1,376,680
Total	\$19,583,557	(\$275,232)	\$19,308,325

Commercial Use	Drawn	Additional Amount	Total MOHCD Commercial Loan
Hard costs	\$347,727	\$708,220	\$1,055,947
Tenant Improvement Reserve	\$0	\$196,081	\$196,081
Soft Costs	\$0	\$79,124	\$79,124
Reserves	\$0	\$15,890	\$15,890
Commercial Agent Fee	\$0	\$29,638	\$29,638
Developer Fee	\$0	\$0	\$0
Total	\$347,727	\$1,028,953	\$1,376,680

* 735 Davis Loan has \$992,500 in funds available to draw on, which includes \$663k in residential funds that will be reallocated to the new commercial loan. The Project team is requesting this reallocation and an additional \$36,453 in new funds.

B. Commercial Development Budget – 735 Davis - Exhibit G

The January 18, 2019, gap loan assumed a rental rate of \$3.50 per square foot for the Café. With the build out of the Café to warm shell, Maven believes that the rent will be \$3.50-\$4.00/sf/month, and the attached operating projections reflect \$4/sf/month.

The current MOHCD proforma is simple and minimal in cost. The current rental assumption is at \$4 per square foot at an annual rental amount of approximately \$56k per year, and a 50% vacancy for the 1st year, at 20% vacancy for the second year, but no vacancy at all until year 7.

Other costs are as follows:

- Commercial management fee per year: 3.5% of the Effective Gross Income, which is rental income minus vacancy assumption. The first-year fee is \$990 annually, but increases as income increases and vacancy decreases.
- Sponsor insurance: \$589 annually for liability insurance.
- Replacement reserve: \$0.20 per square foot and does not trend upward. Annual costs are approximately \$236.
- Operating Reserve: \$2,500 per year, trends at 2%,
- Other – Reserve for future commercial commissions to commercial agent: Assumes 6% of annual rent for a term of 6 years. Annual payments into this reserve start at \$2,036, and increase to over \$3,200 annually in year 20.

MOHCD Surplus Cash Payment: Based on 67% surplus cash, and assuming the assumptions above stay true, MOHCD can expect an annual payment of approximately \$14,688 in the first year of operations. Second year payment increases substantially to \$26,305. If trends stay constant, the total MOHCD expects to be paid in the 20 years is \$788,531.

C. Construction Representative Narrative

735 Davis's SFDBI Tenant Improvement Building Permit Application No. 202212239076 is ready for issuance upon payment of permit fees. The principal issues for 735 Davis are as follows:

- Project Sponsor has confirmed that General Contractor Nibbi Brothers' GMP for the tenant improvements has increased due to increases in annual labor agreements.
- Additional sound and vibration mitigation measures need to be provided given the occupied residential spaces above and adjacent to 725 Davis.- Project Sponsor to provide description of measures to be incorporated.
 - Nibbi Brothers' work schedule will be 7am to 5pm. In deference to residents living directly above the Tenant Improvement Space, Project Sponsor to confirm whether the

construction start time should be 8am instead. Project Sponsor to confirm that this work schedule will not increase the GMP.

- Project Sponsor has confirmed that no additional staging areas for construction and materials will be required beyond the Tenant Improvement Space.
- Project Sponsor anticipates no special traffic permits will be needed from SFMTA.
- Project Sponsor is confirming the extent of pro bono work will be performed by the Architects, Leddy Maytum Stacy. Additional soft costs for architectural construction administration services may be required.

4. STAFF RECOMMENDATION

MOHCD recommends approval of these loans and the conditions below.

735 Davis Commercial Loan	
Loan Amount:	\$1,367,680
Loan Term:	20 years
Loan Repayment Type:	67% Surplus Cash
Loan Interest Rate:	3%

88 Broadway Commercial Loan	
Loan Amount:	\$3,466,310
Loan Term:	20 years
Loan Repayment Type:	67% Surplus Cash
Loan Interest Rate:	3%

5. LOAN CONDITIONS

Conditions for 88 Broadway

- Sponsor will provide updated budget numbers and breakout of Tenant Improvements to MOHCD, along with documentation before execution of loan documents. Funds for construction will not be disbursed until after MOHCD approval of these costs.
- Project Sponsor to provide description of measures to be incorporated for sound vibration before execution of loan documents.
- Post Closing report to be filled out monthly and provided to MOHCD staff with monthly draw.
- TI reserve for tenant will not be paid out until a tenant has executed the Commercial Lease, and actual invoices are provided.
- Detailed lease up/marketing plan will be delivered to MOHCD for review and approval by June 2024.

Conditions for 735 Davis

- Sponsor will provide updated budget numbers and breakout of Tenant Improvements to MOHCD, along with documentation before execution of loan documents. Funds for construction will not be disbursed until after MOHCD approval of these costs.
- Project Sponsor to provide description of measures to be incorporated for sound vibration before execution of loan documents.
- Post Closing report to be filled out monthly and provided to MOHCD staff with monthly draw.
- TI reserve for tenant will not be paid out until a tenant has executed the Commercial Lease, and actual invoices are provided.
- Detailed lease up/marketing plan will be delivered to MOHCD for review and approval by June 2024.

6. LOAN COMMITTEE MODIFICATIONS

7. LOAN COMMITTEE RECOMMENDATIONS

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

APPROVE. DISAPPROVE. TAKE NO ACTION.

_____ Date: _____
Daniel Adams, Director
Mayor’s Office of Housing and Community Development

APPROVE. DISAPPROVE. TAKE NO ACTION.

_____ Date: _____
Salvador Menjivar, Director of Housing
Department Homelessness and Supportive Housing

APPROVE. DISAPPROVE. TAKE NO ACTION.

_____ Date: _____
Thor Kaslofsky, Executive Director
Office of Community Investment and Infrastructure

APPROVE. DISAPPROVE. TAKE NO ACTION.

_____ Date: _____
Anna Van Degna, Director
Controller’s Office of Public Finance

- Attachments: Attachment A – 88 Broadway/735 Davis Gap Loan Evaluations February 2, 2024
Attachment B – 88 Broadway Updated Development Budget
Attachment C – 88 Broadway Updated Commercial Operating Budget
Attachment D – 88 Broadway Commercial Schedule
Attachment E – 735 Davis Updated Development Budget
Attachment F – 735 Davis Updated Commercial Operating Budget
Attachment G – 735 Davis Commercial Schedule

REQUEST FOR COMMERCIAL GAP FINANCING FOR 88 BROADWAY AND 735 DAVIS

Ely, Lydia (MYR) <lydia.ely@sfgov.org>

Fri 3/8/2024 4:48 PM

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

Dear Vanessa,

I approve the above captioned funding request that was reviewed at MOHCD Loan Committee on February 16, 2024.

Thank you,
Lydia

-

Lydia Ely

Deputy Director for Housing

SF Mayor's Office of Housing and Community Development

Office phone: (628) 652-5821

Cell phone: (415) 225-2936

735 Davis & 88 Broadway

Menjivar, Salvador (HOM) <salvador.menjivar1@sfgov.org>

Mon 2/26/2024 2:45 PM

To: Ely, Lydia (MYR) <lydia.ely@sfgov.org>

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

I am approving Bridge Housing and Jhon Stewart Co. request for an amount not to exceed of \$500K in new funds and reallocation of unspent funds not to exceed: \$663,708 in Residential Funds from 735 Davis and \$1,860,207 from 88 Broadway to build up the commercial spaces at both sites.

Best,

salvador



Salvador Menjivar
Director of Housing
Pronouns: He/Him

San Francisco Department of Homelessness and Supportive Housing
salvador.menjivar1@sfgov.org | 415-308-2843

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[@SanFranciscoHSH](#)

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Request for Commercial Gap Financing for 88 Broadway and 735

Slutzkin, Marc (CII) <marc.slutzkin@sfgov.org>

Fri 2/16/2024 12:16 PM

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

Cc: Adams, Dan (MYR) <Dan.Adams@sfgov.org>; Ely, Lydia (MYR) <lydia.ely@sfgov.org>; Kaslofsky, Thor (CII) <Thor.Kaslofsky@sfgov.org>; Colomello, Elizabeth (CII) <elizabeth.colomello@sfgov.org>

Hi Vanessa,

I disapprove the above request on behalf of OCII.

Thanks

Marc



Marc Slutzkin
Deputy Director

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

🏠 www.sfocii.org

REQUEST FOR COMMERCIAL GAP FINANCING FOR 88 BROADWAY AND 735

Katz, Bridget (CON) <bridget.katz@sfgov.org>

Fri 2/16/2024 12:06 PM

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

Cc: Adams, Dan (MYR) <Dan.Adams@sfgov.org>

Approve

Bridget Katz

Deputy Director, Office of Public Finance

Controller's Office | City & County of San Francisco

Office Phone: (415) 554-6240

Cell Phone: (858) 442-7059

E-mail: bridget.katz@sfgov.org

735 DAVIS – NEW COMMERCIAL LOAN
88 BROADWAY – NEW COMMERCIAL LOAN
LOAN COMMITTEE: FEBRUARY 16, 2024

Attachment A – 88 Broadway/735 Davis Gap Loan Evaluations January 18.2019

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

88 Broadway and 735 Davis

Total Additional Loan Request: Up to \$29,908,676 (88 Broadway)
Up to \$18,525,959 (735 Davis)

Evaluation of Request for: Gap Funding / Bridge Funding

Loan Committee Date: January 18, 2019

Prepared By: Faith Kirkpatrick

Source of Funds
Recommended: 88 Broadway Gap:
\$7,043,832: 2015 Prop A GO Bonds – Middle Income;
\$17,604,844: 2015 Prop A GO Bonds – Low Income
735 Davis Gap:
\$12,383,557: AHF Inclusionary;
\$3,942,402: AHF Jobs Housing Linkage

88 Broadway Bridge Loans:
AHP Bridge \$1,140,000: AHF Jobs Housing Linkage;
Commercial Space Bridge \$1,972,063: AHF Jobs Housing Linkage;

735 Davis Bridge Loans:
AHP Bridge \$520,000: AHF Jobs Housing Linkage;
Commercial Space Bridge \$537,598: AHF Jobs Housing Linkage;

Total Previous City
Funds Committed: 88 Broadway:
AHF Inclusionary \$1,500,000,
AHF Jobs Linkage \$2,300,000;
735 Davis:
AHF Inclusionary \$1,500,000,
AHF Jobs Linkage \$700,000

Applicant/Sponsor Name: BRIDGE Housing Corporation & The John Stewart Company

EXECUTIVE SUMMARY

Sponsor Information:

Project Name:	88 Broadway and 735 Davis	Sponsor(s):	BRIDGE Housing Corporation & The John Stewart Company
Project Address (w/ cross St):	88 Broadway and 735 Davis St. San Francisco, 94111 (Vallejo and Front bound the sites)	Ultimate Borrower Entity:	88 Broadway Family LP 735 Davis Senior LP

Project Summary:

88 Broadway and 735 Davis are two affordable housing projects located within one city block on two separate parking lots that are owned by the Port and MOHCD, respectively. The projects have been designed and entitled simultaneously and will be constructed simultaneously as well. However, the projects will be financed separately.

The 88 Broadway (“Family”) project is a 125-unit family building serving low-income and middle-income families, including 31 Project-Based Voucher subsidized units with a preference for HOPE SF residents who voluntarily elect to apply to new housing at 88 Broadway. 88 Broadway is located on Port-owned land that is on the west half of the block bounded by Broadway to the south, Vallejo to the north, Front to the west and Davis to the east. The 125 family units will include a mix of 16 junior one-bedrooms (studios), 37 one-bedrooms, 48 two-bedrooms, and 24 three-bedrooms. The 735 Davis Street (“Senior”) project is a 53-unit building serving formerly homeless, and low-income seniors. The senior building is located on City-owned land, and is on the east half of the same block as 88 Broadway with existing buildings to the north and south. The 53 senior units include a mix of 23 junior one-bedrooms (studios), 29 one-bedrooms, and 1 two-bedrooms. Both buildings include active ground floor uses including child care facility, community-serving restaurant and café retail. The sites are connected by a mid-block pedestrian passageway that will be publicly accessible.

Environmental and planning approvals were obtained in March and May 2018, and the two (Port and City) Options to Ground Lease were approved by the Board of Supervisors in July 2018. Joint CDLAC/TCAC financing applications were submitted in October 2018 with awards made in December 2018. The projects are estimated to start construction in April 2019 and complete construction by late 2020.

Project Description:

Total Loan Amount Requested:	\$ 27,908,676 Family <u>\$ 18,525,252 Senior</u> \$ 46,433,928 Total	Request Amount per unit:	\$ 223,269 per unit; 125 Family <u>\$ 349,533 per unit; 53 Senior</u> \$260,865 per unit; Total
Total Development Cost (w/o land):	\$ 97,673,679 Family <u>\$ 40,457,210 Senior</u> \$ 138,130,889 Total	Total Development Cost (w/o Land)/unit:	\$ 781,389 Family <u>\$ 763,343 Senior</u> \$ 776,016 Total (average)
TDC Including Land:	\$ 153,030,899 Total	TDC w/ land/unit:	\$ 859,724 total (average)
Construction Type:	Type III-A over Type I podium.	Project Type:	New Construction
Number of Stories:	4, 5 and 6 stories	Lot Size (acres and sf):	37,812 sf Family / 10,165 sf Senior
Number of Units:	125 Family; 53 Senior	Architect:	Leddy Maytum Stacy Architects
Total Residential Area:	101,128 sf Family; 27,752 sf Senior	General Contractor:	Cahill Contractors
Total Commercial Area:	8,700 sf Family; 1,257sf Senior	Property Manager:	John Stewart Company (JSCo)
Total Building Area:	148,979 sf Family; 47,400 sf Senior	Supervisor and District:	Sup. Aaron Peskin D-3
HOME Funds?	No	Parking:	None

PRINCIPAL DEVELOPMENT ISSUES

- **Closing timeline:** In order to meet the appraisal expiration date for 88 Broadway, the development team and financing teams are committed to execution of the ground lease with the Port no later than March 30, 2019. Ideally, the entire transaction closes prior to that date but it is foreseeable that permitting, GMP bidding and transaction document negotiation for two simultaneous deals will push the closing into April. The development team and the Port have agreed to execute the ground lease prior to March 30th with financing to follow but not later than 60 days from execution date. Meeting this deadline will avoid a revision to the land appraisal that would need to go back for approval by the State Lands Commission. GMP bidding will be tightly monitored by the development team to ensure a wide bid coverage and competitive bidding along with early buyout of trades to reduce cost escalation risk. See section 4.1.1 for discussion of Site Control and approval timeline.
- **Cost Containment:** The projects both have high development costs as proposed with a TDC of approximately \$776,000/unit (not including land). MOHCD will work with the developer team during the GMP bidding stage to identify value engineering and bid deduct alternatives to finalize hard costs. The team has achieved modest value engineering resulting in approximately \$3.6MM in reductions but falling short of MOHCD's goal of \$5MM in reduction. The MOHCD subsidy per unit is projected to be approximately \$297,000 (\$440,000 with land cost included) on 88 Broadway and \$413,000 on 735 Davis. See Section 4.4 Construction Specialist's evaluation for cost and value engineering discussion.
- **Developer Fee:** As originally conceived in the initial RFP, the 88 Broadway and 735 Davis projects were deemed to be separate projects however the projects would benefit from shared development timelines, approvals and operations so were issued together in one RFP. Included in this assumption, was two separate developer fees. TCAC later determined that these projects would fall under the Simultaneous Project Rule and thus would be limited to one developer fee. MOHCD has supported waivers to the Developer Fee Policy in efforts to honor the initial concept that would have given the developer a combined cash-out developer fee of \$4.5MM. As newly structured the Developer will take \$3.1MM as cashout fee across both projects and up to \$4.5MM of deferred developer fee over a 15 year period on 88 Broadway. Given the Developer's analysis of a discounted cash flow of the cash fee timing and deferred fee timing, the proposed Developer fee is equivalent to the original structure. See Section 6.4.2 Permanent Uses for description of the Developer Fee structure and associated waivers.
- **Commercial Financing Plan:** The Sponsor has worked with a retail commercial leasing broker and determined through a market study that the 88 Broadway and 735 Davis restaurant and café spaces will achieve comparable market rents for the space and therefore the Sponsor can leverage debt for the commercial space component. The Sponsor provide a bridge loan to cover cold shell, warm shell and other associated prorata soft costs for the commercial component. MOHCD will need to continue to work with the developer during construction to ensure that the commercial space is marketed appropriately and the commercial space takeout financing is secured. See Section 4.5 Commercial Space for more information.
- **735 Davis Cashflow:** 735 Davis cashflow is tight even with no debt service payments and in year 20 has less than \$10,000 projected after expenses. A unique feature of the project operations is the pilot operating subsidy program for the ELI low income seniors which supports 13 units that are income restricted at 30% AMI in addition to the 15 units that will receive a LOSP subsidy. As such, 735 Davis is a small building with 53 total units that relies on operating subsidies for over 50% of the units, with the remaining units at 50%, 60% and 70% MOHCD AMI rent level. In spite of the cost efficiencies gained through shared property management staffing with 88 Broadway, the operating budget is high on a per unit per annum (PUPA) metric of \$15,353 due to lack of economies of scale and inclusion of desk clerk coverage. The operating subsidies cover a break even operating budget and carry their portion project's expenses with zero remaining cashflow; the projections show a deficit in operating expenses on the 38 non-subsidized units in Year 20. As part of the affordable portfolio, MOHCD will work with the developer after year 15 to determine any refinancing opportunities should the project need renovations or another financial structure to ensure healthy operations. See Section 7 Project Operations for more information.

SOURCES AND USES SUMMARY

Family: 88 Broadway

Predevelopment Sources	Amount	Terms	Status
MOHCD Predev I Loan	\$1,500,000	55 yrs @ 3.00%	Committed
MOHCD Predev II Loan	\$2,300,000	55 yrs @ 3.00%	Committed
Total (MOHCD)	\$3,800,000	55 yrs @ 3.00%	

Permanent Sources	Amount	Terms	Status
MOHCD Loan	\$27,908,676	55 yrs @ 3.00%	Not Committed
Perm Loan	\$19,815,000	15 yrs @ 5.5%	Not Committed
AHP Loan (MOHCD Bridge)	\$1,140,000	N/A	Not Committed
Tax Credit Equity	\$36,770,970	\$1.05 per credit	Committed
Commercial Space Loan (MOHCD Bridge)	\$1,887,596	20 yrs @ 6.25%	Not Committed
GP Equity	\$5,159,495	N/A	Committed
Deferred Developer Fee	\$4,500,000	N/A	Committed
Total	\$97,181,737		

Uses	Amount	Per Units	Per GSF
Acquisition*	\$0	\$0	\$0
Hard Costs	\$70,311,600	\$562,493	\$472
Soft Costs	\$15,050,642	\$120,405	\$101
Developer Fee	\$11,819,495	\$94,556	\$79
Total (Includes Comm. TI's)	\$97,181,737	\$777,454	\$652

* Acquisition is outside of the project and is estimated at \$14,900,000 as of June 2018 appraisal.

Senior: 735 Davis

Predevelopment Sources	Amount	Terms	Status
MOHCD Predev I Loan	\$1,500,000	55 yrs @ 3.00%	Committed
MOHCD Predev II Loan	\$700,000	55 yrs @ 3.00%	Committed
Total (MOHCD)	\$2,200,000	55 yrs @ 3.00%	

Permanent Sources	Amount	Terms	Status
MOHCD Loan	\$18,525,252	55 yrs @ 3.00%	Not Committed
AHP Loan (MOHCD Bridge)	\$520,000	N/A	Not Committed
Tax Credit Equity	\$16,925,550	\$1.045 per credit	Committed
Commercial Space Loan (MOHCD Bridge)	\$558,851	20 yrs @ 6.25%	Not Committed
GP Equity	\$3,944,770	N/A	Committed
Deferred Developer Fee	\$0	N/A	Committed
Total	\$40,475,130		Not Committed

Uses	Amount	Per Units	Per SF
Acquisition*	\$0	\$0	\$0
Hard Costs	\$28,559,533	\$538,859	\$603
Soft Costs	\$6,970,827	\$131,525	\$147
Developer Fee	\$4,944,770	\$93,298	\$104
Total	\$40,475,130	\$763,682	\$854

* Acquisition is outside of the project and is estimated at \$0 through jurisdictional transfer from DPW as surplus property. An appraisal dates June 2018 valued the land at \$4,300,000 which will be used for the ground lease residual rent calculation.

1. BACKGROUND

1.1. Project History Leading to This Request.

After an RFP development team selection process concluded in early April 2016, the Loan Committee approved two predevelopment loans with the sponsor throughout the predevelopment period: \$3,800,000 for 88 Broadway and \$2,200,000 for 735 Davis. The sponsor worked with the Planning Department on environmental review and zoning/land use approvals from November 2016 to May 2018, when final approvals were issued. The sponsor also went through design review with the Port's Waterfront Advisory Committee and received a Certificate of Appropriateness from the Historic Preservation Committee in April 2018.

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

88 Broadway and 735 Davis are each being developed by a joint venture created by BRIDGE Housing Corporation (BRIDGE) and the John Stewart Company (JSCo). In each LP entity the BRIDGE affiliate is a 60% member and the JSCo affiliate is a 40% member (See the Attachment B: Entity Org Chart).

BRIDGE and JSCo both have extensive affordable housing experience and successfully partnered together previously on the North Beach Place HOPE VI project.

For both the family and senior developments, BRIDGE and JSCo are co-general partners in a Limited Partnership that is developing and will own the projects. Each company will provide development staff to manage the approvals, financing, construction, and lease-up of the projects.

BRIDGE Housing has the lead role in: 1) securing construction and permanent loan commitments and a tax credit investor, and negotiation of all related agreements; 2) managing the loan draw process and payment of invoices per the approved project budget; 3) asset management for the residential portion of the project; 4) management of the resident services component of the project, including identification of community service or referral connections, and creation of a services plan and budget; and, 5) management of the post-construction cost certification process and annual audits and distribution of surplus cash in accordance with approved project budgets and loan and partnership agreements.

The John Stewart Company has the lead role in: 1) community outreach to community partners, neighborhood stakeholders, elected officials and other constituency groups; 2) serving as the Property Management Agent, taking the lead on preparation of the marketing and property management plan for the project; and, 3) planning and marketing for the retail/commercial components of the project, including financing, tenant selection, negotiation of leases, and all asset management functions.

Please see attached resumes of the Developers and Project Managers (Attachment C).

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

This chart applies to both 88 Broadway and 735 Davis projects as the sites are adjacent and have the same site conditions.

Site Description	
Zoning:	C-2 Community Business with a 65-X height limit
Maximum units allowed by current zoning (N/A if rehab):	N/A- Regulated by allowable height (65') and FAR.
Number of units added or removed (rehab only, if applicable):	N/A – New Construction
Seismic (if applicable):	Seismic Hazard – Liquefaction; PML SUL 20 %
Soil type:	Former tidelands with fill; Some or all hazardous
Environmental Review:	<p>Phase I Site Assessment Report completed October 1998, for the 88 Broadway site.</p> <p>An updated Phase I report and Phase II report were completed February 2017 and June 2018 respectively. The reports include both sites.</p> <p>CEQA Final Mitigated Negative Declaration approved March 9, 2018.</p> <p>NEPA was approved on March 5, 2018.</p> <p>The Maher Ordinance Work Plan and Site Mitigation Plan were approved by DPH on October 22, 2018.</p>
Adjacent uses (North):	On Vallejo Street is a 3-story commercial building occupied by multiple tenants including ABC Broadcasting Center.
Adjacent uses (South):	On Broadway is a 5-story mixed use building with housing (including 2 affordable housing developments) and ground floor commercial and office space.
Adjacent uses (East):	On the eastern part of the block are three parcels, the 735 Davis parcel is mid-block, the northeastern parcel is a 2-3 story office building occupied by WSI (William Sonoma Inc) Corporate Office, and the southeastern parcel is another 2-story office building. Across Davis Street to the East is a surface parking lot which is planned for the Teatro ZinZanni development which will include a boutique hotel, a permanent theater for Teatro ZinZanni as well as a park.
Adjacent uses (West):	Front Street includes a mix of 5 story affordable housing development, and 2-3 story commercial uses including parking garage and law offices
Neighborhood Amenities within 0.5 miles:	<p>Safeway Grocery – 0.2 Miles</p> <p>John Yehall Chin Elementary School – 0.2 Miles</p> <p>US Post Office – 0.4 Miles</p> <p>Concentra Urgent Care – 0.4 Miles</p> <p>Walgreens – 0.4 Miles</p> <p>Muni Light Rail and Bus – 0.1 Miles</p>
Public Transportation within 0.5 miles:	SF Muni Bus Line – 10, 12, 82x, 1

	SF Muni Light Rail Line - E, F, J, K, L, M, N, T BART Station – Embarcadero
Article 34:	All the units restricted at 80% AMI and below will require Article 34 authorization. Units at 100% and 120% AMI in the family building are exempt. Article 34 authorization was approved on January 1, 2017.
Article 38:	Exempt, site is not listed within the Article 38 Air Pollution Exposure Zone Map area.
Accessibility:	The projects will meet all accessibility requirements including 10% for the mobility impaired, 4% adaptable units for the hearing and visual impaired and the remaining units are adaptable under code 11A (with 5% of total 90% of adaptable units adjustable countertops).
Green Building:	State minimum required. 735 Davis is projected to receive a GreenPoint Rated score of 137 and 88 Broadway is projected to receive 175 points.
Recycled Water:	Exempt. The building area is less than 250,000 square feet of gross floor area.
Storm Water Management:	Will have SWPP for the New Construction; Plan to be completed before Start of Construction

2.1. Zoning.

The Development Site is currently zoned C-2 Community Business with a 65-X height limit, located in the Northeast Waterfront Historic District and the Waterfront Special Use District 3. See Section 3.2 for more details about zoning approvals.

2.2. Probable Maximum Loss. Project will meet PML standards as required by other funding partners.

2.3. Local/Federal Environmental Review.

The Planning Department issued a Preliminary Mitigated Negative Declaration under CEQA on October 25, 2017. An appeal was filed in response to the Preliminary Mitigated Negative Declaration (PMND) in November 2017. The appeal was heard on March 8, 2018 and the PMND was upheld. The Final Mitigated Negative Declaration was published on March 9th. The final appeal period for CEQA expired on June 4th and there was no further appeal submitted.

A NEPA review was conducted in anticipation of using Project-Based Section 8 federal rental operating subsidies. HUD issued an Authority to Use Grant Funds on March 5, 2018 which is the approval of the NEPA findings.

2.4. Environmental Issues.

Phase I/II Site Assessment Status and Results.

In 1998 a Phase I Site Assessment Report, Site Assessment of Seawall Lot 322-1 found it likely that some or all of the soil excavated from the site would be classified as hazardous and recommended a targeted subsurface soil and groundwater

investigation prior to any construction activities at the Development Site. A Phase I report was completed in February 2017 and Phase II report was completed in June 2018 for both sites which confirmed: elevated levels of metals and lead in the soil samples; elevated metal concentrations and petroleum hydrocarbons in the ground water samples; and below screening levels in the soil vapor samples. A former gas station at the 88 Broadway site does not appear to have significantly impacted the ground water at the site. Based on the findings of the report, special soil/groundwater management, worker health and safety measures, and remediation are required during grading efforts and will affect approximately 2-3 feet of over excavation area and utility trenching areas. The project sponsor submitted an environmental site characterization work plan and site mitigation plan to the Department of Public Health under the Maher Ordinance requirements. These plans were approved by DPH in October 2018.

Additional soil vapor tests and soil sampling occurred in November 2018 to test for methane vapors (for Vapor Intrusion Mitigation System, if any) and to obtain reliable soil remediation pricing prior to construction start. Preliminary results suggest methane vapor mitigation is not required. However, preliminary results suggest elevated levels of metals present in soil samples. As a result, much of the soil that will be excavated and off-hauled will be classified as Hazardous Waste thus requiring special remediation procedures and landfill destination(s). Detailed reports are expected in January 2019.

The project budget currently includes allowances for anticipated remediation and soils off-hauling (\$500,000 at 88 Broadway; \$150,000 at 735 Davis).

3 OTHER ENTITLEMENTS ISSUES

3.1 Community Support.

MOHCD and Port started extensive community outreach in 2014 to engage local residents, and Port's citizen advisory groups, to help inform the initial RFP for development. Additionally, three community representatives participated in the RFP selection panel as a culmination of extensive community input into the design guidelines of the RFP. The Port's Northeast Waterfront Advisory Group (NEWAG) was actively involved throughout selection and design of the project.

MOHCD and the Port supported the developer team in a robust community outreach effort. The project received a great amount of community support from all of the neighborhood groups and also received specific design related comments. The sponsor included additional step backs on the top story of the 88 Broadway building to meet the request for reduced massing and also agreed to use brick instead of cementitious panels on the exterior façade.

The sponsor's community outreach efforts included the following strategies.

- The project team engaged in a series of one-on-one and agency-focused presentations, including a presentation to the Northeast Waterfront Advisory Group, as well as to the Port Commission and other key neighborhood organizations.
- Several large community meetings were held as concept and schematic designs were being developed to provide local residents and neighborhood stakeholders, regardless of any organizational affiliation, the opportunity to receive information on the project, see renderings of proposed design that represent the massing, scale, articulation of the building, and provide input on the buildings' design and programming.

Between May 2015 and December 2018, the sponsor has hosted or attended over twenty-five (25) public meetings and private meetings with interested community groups.

3.2 Local Zoning Approvals.

The project originally applied for Conditional Use Permit (CUP) approval but was able to get local zoning approval through a shortened administrative approval process under Section 315 of the Planning Code on May 3, 2018. The 30-day appeal period ended on June 4, 2018 with no appeals filed. Subsequently, a Notice of Determination was filed on June 8th and the 30 day period to file a legal challenge expired on July 9, 2018 without a legal challenge.

Section 315 was added to the Planning Code in March 2016 to allow for swifter approval of affordable housing developments that would otherwise need a conditional use authorization and meet other conditions in the code section.

4 DEVELOPMENT PLAN

4.1 Site Control.

4.1.1 Proposed Property Ownership Structure

For 88 Broadway, Bridge Housing and John Stewart created a limited partnership named 88 Broadway Family LP, with a BRIDGE entity as the Managing General Partner and a John Stewart entity as the Administrative General Partner. For 735 Davis, Bridge Housing and John Stewart created a limited partnership named 735 Davis Senior LP, with a BRIDGE entity as the Managing General Partner and a John Stewart entity as the Administrative General Partner.

For 88 Broadway, MOHCD will be providing an acquisition payment pursuant to an MOU between the Port and MOHCD which will be based on the appraised value of the land at fair market value. The MOU allows for payment at the time that inclusionary fees are received by MOHCD from Parcel K North (Port-owned land near Pier 70 project) which is expected in 2020. If the payment is not made on the execution date of the ground lease, then a 1.5% simple interest accrues for two years and then 3% interest thereafter. The Parcel K North proceeds are expected to be over \$20,000,000 and thus adequate to cover the interest that may accrue from 2019 to 2020 or beyond if sale is

delayed. The land was appraised for \$14,900,000 in June 2018 which was approved by the Port Commission, the Board of Supervisors and the State Lands Commission along with site control documents in the summer of 2018. The 88 Broadway Family LP will enter into a long term ground lease (75 year term) with the Port of San Francisco and will own and operate the improvements. MOHCD will perform monitoring of the ground lease on behalf of the Port for the 88 Broadway project relying on the Annual Monitoring Process for affordability compliance and communicating that compliance to the Port.

The 735 Davis site is owned by MOHCD after jurisdictional transfer from DPW was approved by the Board of Supervisors on June 24, 2018. The 735 Davis Senior LP will enter into a long term (99 year) ground lease with MOHCD and will own and operate the improvements. MOHCD will retain long term ownership of this parcel.

Site control documents (Option to Ground Lease and Form of Ground Lease) were approved in the summer of 2018 for both projects. For 88 Broadway, the approvals included the Port Commission and the State Lands Commission. 88 Broadway Option to Ground Lease, Form of Ground Lease and MOU with MOHCD were approved by Port Commission on July 10th, the Board of Supervisors on July 24th and State Lands Commission on August 23rd. Site control for documents 735 Davis were approved by the Board of Supervisors on July 24th.

The sponsors propose to subdivide the two parcels as described below. The subdivision will be completed around the time of construction completion or permanent conversion, so that construction financing will cover the entire project. The sponsor has not yet started the mapping process but will do so soon after construction starts, as the process typically takes at least 12 months to complete. MOHCD will work with the Sponsors and DPW to ensure this timeline is met, if it is delayed the major impact will be on the timing of securing the commercial loan but the residential conversion could likely still proceed. The benefit of the subdivision structure is that it meets the tax credit investor's preference for the housing to be separate from childcare uses and associated liabilities, and will facilitate separate financing for the commercial spaces that can repay MOHCD.

In order to comply with the Port and City's master lease requirement, the sponsors will form two new entities to act as the master tenants (one for 88 Broadway and one for 735 Davis), which will execute direct leases with the Port and the City for their respective parcels, and subsequently enter into subleases with the new commercial LLC for the restaurant and café spaces, and with the YMCA for the childcare space. The Sponsor is working with tax counsel to fully determine the tax implications of having a separate moderate income parcel.

The proposed parcels are four for 88 Broadway and two for 735 Davis:

88 Broadway (Port-owned site)

1. Family affordable housing project (115 units, at or below 80% AMI)
2. Moderate income units (10 units, at or above 100% AMI)
3. Childcare space
4. Commercial space (restaurant)

735 Davis (City-owned site)

1. Senior affordable housing project (53 units, at or below 80% AMI)
2. Commercial space (café)

Please see Attachment M which provides a diagram of the proposed commercial leasing structure.

4.2 Proposed Design.

The site plan is organized around two landscaped pedestrian passages that cross the two sites and intersect near the center of the block. A north/south passage on the Family Site extends from Broadway north to Vallejo Street, while an east/west passage on the Senior Site passes under an overhang of the senior apartments on Davis Street, opening into an interior courtyard and extending to the family apartment building lobby on Front Street.

The design team completed 100% Design Development drawings in March 2018, and 50% Construction Documents in October 2018. The 88 Broadway project's unit count was reduced from 130 to 125 family units due to space constraints and MOHCD's request to maximize the amount of three-bedroom units serving large families.

The 735 Davis unit mix however, has shifted to more, overall smaller, units in order to maximize the total number of units available. Both projects are required to accommodate SFPUC interrupter switch equipment, which slightly increased the interior space needed in the electrical room, relative to a direct PG&E electrical service. The interrupter switch avoids the need to redesign the ground floor space to accommodate a primary switchgear which would have affected the common area layout for 88 Broadway and unit sizing at 735 Davis.

The developers filed a Building Permit application on November 15, 2017 and received Site Permit approval for both projects in November 2018.

The project is subject to design review under the Historic Preservation Commission (HPC) due to the project's location in a historic district. The architectural team's design of the façade at the site perimeter is inspired by the historic frame and – infill structures surrounding the site expressing vertical bearing lines and horizontal floor lines. The brick portion of the facade provides a secondary accent to the frame and infill elements and reflects the masonry vocabulary of the neighborhood. To address another concern from the community, the design team was also able to step back the top story of the 88 Broadway building along Broadway and Front Street, reducing the massing of the building without reducing the total number of units. The project received approval from HPC for the Certificate of Appropriateness in April of 2018.

Avg Unit SF by type:	Studio average - 430 SF
	1-bedroom average - 589 SF
	2-bedroom average - 926 SF
	3-bedroom average – 1,228 SF

Residential SF:	Family – 101,128 SF Senior – 27,752 SF Total – 128,880 SF
Circulation SF:	Family – 23,216 SF Senior – 11,033 SF Total – 34,249 SF
Parking Garage SF:	0 SF
Common Area SF:	Family – 10,332 SF Senior – 4,327 SF Total – 14,659 SF
Building Total SF:	Family – 148,979 SF Senior – 47,400 SF Total – 196,379 SF
Commercial Total SF:	Family – 8,700 SF Senior – 1,257 SF Total – 9,957 SF

4.3 Construction Supervisor/Construction Specialist’s Evaluation

The design team completed 50% Construction Document drawings in October 2018. The project as currently designed comprises two adjacent sites; one facing Front Street and running the full length of the block between Broadway and Vallejo, and the other is centered mid-block on Davis Street between two other parcels, and extends to the West meeting the rear of the first site, across a midblock passageway. Unfortunately, due to the complexity and different construction schedules, the simultaneous construction did not result in as robust of cost efficiencies as originally conceived by MOHCD. While reduced General Conditions fees were achieved, reduced general contractor staffing and use of only one shared tower crane were not achieved. However, one shared savings is the shared Stormwater Control Plan between the two sites.

The 88 Broadway project is comprised of 125 residential units in 4-6 stories of Type IIIA over Type I construction, with studio, 1, 2 and 3 bedrooms. This site will incorporate approximately 4,725 S.F of commercial space entered from Broadway and a 4,088 S.F. childcare with 2,820 S.F. of dedicated play space, entered from Vallejo Street. The 735 Davis project is comprised of 53 senior housing units in studios, 1 bedrooms and a single 2 bedroom unit, and provides for another approximate 1,100 S.F. of commercial space and 782 S.F. Community Room.

To address the Port’s Waterfront Design Advisory Committee comments, City Planning and neighborhood groups concerns about bulk and views, both buildings have stepped back the upper floors to reduce overall bulk, and improve light and air and visual impact. This reduction in mass also provides opportunities for various open spaces, interspersed throughout building heights and facades. There are gardening areas and family play space, and other smaller terraces located on the 2nd, 5th, 6th floors and roof. Laundry rooms are located at each upper floor. Ground

floor units located along Front Street as well as the North/South passageway enliven and activate these areas with residential and pedestrian activity while each building also contains a separate residential lobby, property management office, services and community room spaces. Except for the 3BRs with 2 full bathrooms, unit sizes are approximately all within acceptable range and unit layouts are thoughtful and appropriate.

The 50% CD cost estimate, dated November 28, 2018 reflected a total hard cost value of \$67,432,795 for the family building not including a 5% hard cost contingency of \$3,262,224 and a hard cost of \$27,274,408 for the senior building, plus a similar 5% hard cost contingency of \$1,327,548. These values combined reflect \$94,707,203 plus \$4,589,773 in contingency which equates to \$557,848 per unit or \$519 per square foot (inclusive of residential and commercial space).

WDAC, Historic Preservation Commission and City Planning requirements to include brick veneer facades and changes in building massing, rising construction costs, project entitlement delays and the inclusion for escalation to the start of construction have driven costs up and prompted the sponsor team to conduct an extensive value engineering process at the conclusion of the 100% DD phase. One significant value engineering component was a switch from aluminum windows to vinyl windows and from cementitious panel siding to stucco yielded significant savings. Overall, the value engineering exercise yielded an estimated reduction of \$3,245,128 for both projects, \$2,654,628 for 88 Broadway and \$590,500 for 735 Davis. These estimated savings are now reflected in the project's sources and uses. If construction bids exceed the cost estimate, the development team will then accept certain delete alternates (such as to remove alcoves at residential units' entry, change 3BR's unit's second bathroom into a study, reduce landscaping, rooftop solar array's structural posts/system and other items) to provide additional cost savings and stay within the cost estimate budget.

Staff will continue to monitor costs and support the design development process to ensure a high quality project in a cost effective manner. Construction is anticipated to commence in early 2019 and costs are escalated to anticipate that date.

4.4 Commercial Space.

4.4.1 Commercial Space Design

Both projects are mixed use and will contain ground floor commercial spaces.

Commercial space totals 10,500 square feet, including 4,200 s.f. dedicated to a YMCA child care center fronting on Vallejo Street with associated open space and play space as well as traditional retail fronting on Broadway, Front and Davis. The ground floor of the family building also includes an opportunity for a restaurant. The restaurant space along Broadway opens onto an arcade, providing space for outdoor dining that will activate the street and invite people into the mid-block zone.

The ground floor commercial of the senior building is approximately 1,100 square feet, with glass on 3 sides facing Davis Street, the mid-block passage, and the senior courtyard. The intended use is a cafe. Both commercial spaces take advantage of the openness created by the “mews” spaces of the mid-block passages.

The development team has engaged a retail consultant, Vikki Johnson & Pam Mendelson at Cushman & Wakefield, who have provided comparable rent comps for this market area. Based on the focused rent study, the underwriting assumes triple net leases will yield \$4.40 PSF/ month for the restaurant (88 Broadway) and \$3.50 PSF/ month for the café (735 Davis).

4.4.2 Commercial Space Financing

The sponsors propose to subdivide the two commercial spaces – the restaurant space located at 88 Broadway and the café space at 735 Davis – and transfer both parcels to a newly formed Commercial LLC that will be owned and managed by the sponsors. The Commercial LLC will be a subtenant to the Port’s Master Tenant for 88 Broadway and a subtenant to the City’s Master Tenant for 735 Davis (please see attached Attachment M that provides a diagram of the leasing structure submitted to the Port and the City during ground lease negotiations).

The development team proposes that the City’s Gap Loan be sized to include the costs for both the commercial cold shell, and for the cost of the commercial warm shell owner’s tenant improvements. In exchange for the remaining 70% of the surplus cash flow from 88 Broadway (the Port required a payment of 30% surplus cash as a condition to providing the 88 Broadway lease), and 100% of the surplus cash from the café space at 735 Davis, the sponsor will assume the entire operational risk for the commercial space by taking out a commercial loan to repay MOHCD for all commercial costs bridged by the MOHCD Gap loan. The low cost MOHCD bridge loan provides a financial benefit to the commercial space positioning it well for timely tenanting and competitive commercial space loan takeout financing which supports the success of the spaces.

Sources	Total
Commercial Loan	\$2,401,864
Deferred Developer Fee	\$450,000
Permanent MOHCD (RR repayment)	\$244,968
	\$3,096,832

Uses	88 Broadway	735 Davis	Total
Cold Shell Construction Cost	\$560,666	\$195,851	\$756,517
Warm Shell	\$833,420	\$192,453	\$1,025,873
Prorata Share of Other Soft Costs	\$452,977	\$99,294	\$552,271
Transfer Fee	\$267,942	\$44,229	\$312,171
Developer Fee	\$300,000	\$150,000	\$450,000
	\$2,415,005	\$681,827	\$3,096,832

The warm shell/owner's tenant improvement costs included in the development budget represent a per square foot estimate of the warm shell improvements as defined in the MOHCD commercial underwriting (e.g. bathrooms, sub meters for electrical, gas and water based on tenant location for utilities), and are estimated at approximately \$200/sf for the restaurant space at 88 Broadway, and \$150/sf for the café space at 735 Davis, and are necessary to make these relatively small spaces marketable. Most of this work will be included as part of the building construction, but some funds will be held back for use by future tenants once their commercial layout is known. Tenants will be responsible for installations of kitchens, finishes, etc that are specific to their use and layout.

The sponsors have presented this structure (i.e. one commercial LLC owning two subdivided spaces on separate parcels owned by separate public agencies) to potential lenders, which have confirmed that a commercial loan could be made to the Commercial LLC underwritten by the combined income of the two commercial spaces.

Attachment M includes Commercial Sources and Uses and Commercial Cash Flow projection shows that using underwriting assumptions that include a DCR of 1.25, an underwriting interest rate of 6.50% and a 20-year amortization, a supportable commercial loan of approximately \$2.4MM is achievable, and would be sufficient to fund repayment of all but approximately \$108K the MOHCD commercial loan at commercial stabilization (please see attached 20-year Commercial Cash Flow and Commercial Statement of Sources and Uses in Attachment M Commercial Financing Plan). If the Sponsor cannot support a full repayment of MOHCD bridge loan, then the remaining amount of unpaid MOHCD Gap loan is proposed to be repaid from 50% of surplus cash over six years. As currently projected, with reasonably conservative assumptions, there is approximately \$245K that will be repaid through cashflow.

Requested Waivers/Exceptions to MOHCD Commercial Underwriting Guidelines

The following waivers are requested regarding the development of the commercial spaces (restaurant at 88 Broadway and café at 735 Davis):

1. Bridge loan for commercial costs including cold and warm shell costs and owner's tenant improvements; and
2. Sponsors request 100% of surplus cash (after payment of 30% of restaurant surplus cash to the Port) on commercial cashflow, except to the extent surplus cash is needed to fund a full repayment of MOHCD's commercial loan. In exchange the sponsors propose a full repayment the commercial loan from MOHCD (including the cost for both the cold shell and warm shell costs and the Owner's tenant improvements), to be funded with a new commercial loan underwritten with commercial net operating income.

YMCA Childcare (88 Broadway)

The YMCA childcare program includes space for 55 children (infants, toddlers and preschool), and includes a set-aside of 35% of these spaces (20 children) for low to moderate-income families residing in the building.

The commercial plan also includes subdivision of the YMCA childcare space, which would then be subleased from the Port’s Master Tenant. See Attachment M for sublease tenant structure diagram. Given the public benefit nature of the child care space, which will have set-asides for children from low-income families, no surplus cash is anticipated from operations. In addition to assisting the YMCA explore funding sources such as New Market Tax Credits and funding from CDFIs such as Northern California Community Loan Fund, the sponsors have committed to contributing \$600K towards the capital costs of the childcare. Additionally, the YMCA has applied for LIIF childcare funding and anticipates receiving \$500,000 - \$700,000 in funding.

Commercial Developer Fee

The sponsors request the following fees, as allowed by MOHCD’s Commercial Underwriting Guidelines, and propose that all commercial developer fees are paid through surplus cash from commercial operations:

Commercial Dev Fee (Total)		
735 Davis		
Café	Commercial Use	\$100,000
Condo/Air Rights Fee		\$50,000
	Total 735 Davis	\$150,000
88 Broadway		
YMCA Childcare	Public Benefit Use	\$250,000
Condo/Air Rights Fee	2 subdivisions	\$50,000
	Total 88 Broadway	\$300,000

4.5 Service Space.

The family building residential lobby is located on the ground floor and accessible off Front Street and the pedestrian passage to the east. Approximately 1,893 square feet of interior residential common space is located on the ground floor and includes a community room, property management and social services offices. Social services staff will have their own designated private office that is approximately 195 square feet. The services offices are adjacent to but separate from management offices, to maintain privacy for the residents.

The lobby space for the senior building is accessible off Davis Street and the pedestrian passage way to the south. The ground floor includes a central outdoor courtyard off the lobby and adjacent to the community room, which will be a central feature in the building for senior activities and programs. Also wrapped around the courtyard, are service and management offices. The service office, approximately 158 square feet, is in proximity to the property management office, but is designed with enough separation so that residents accessing services can do so with a sense of privacy.

In total there is approximately 1,120 square feet of interior common space shared by senior residents.

Lutheran Social Services (LSS) will provide services to tenants at both sites and will utilize the private services offices to meet with residents and the community rooms for larger scheduled programs, collaborative meetings, and special resident events.

4.6 Target Population

88 Broadway and 735 Davis will serve a wide range of income levels, as established by the RFP goals which specifically required middle income targeting as well as LOSP or similar population targeting.

88 Broadway will include low-income households earning 60% MOHCD AMI and below and also include middle-income households making between 80% -120% MOHCD AMI. The site will also include 31 units that received a Project Based Voucher rental operating subsidy from the San Francisco Housing Authority (SFHA) with a preference for Potrero HOPE SF residents that voluntarily apply to 88 Broadway.

735 Davis is a senior property with a range of incomes including 15 units, 28% of the total units, reserved for LOSP referrals. Additionally, there are 13 units for extremely low-income seniors at 30% MOHCD AMI. 735 Davis will also have a middle-income component that is 74% MOHCD AMI (60% TCAC AMI) for 8 units. The remaining 16 units are at 50% and 60% MOHCD AMI.

As a result of income averaging regulation changes passed in 2017, the 80% MOHCD AMI units at 88 Broadway are now basis-eligible and qualify for tax credit financing. For the 88 Broadway family site, the team proposed a total of 21 middle-income units (approximately 16%) staggered at 80%, 100% and 120% MOHCD AMI. The sponsor conducted a market survey to confirm demand for the middle income units and equal demand was shown for the 80% to 120% MOHCD AMI range. The 120% MOHCD AMI rents are all between 21% and 28% discount to market rate rents for the area (except for 2bdrm which is 43% discount) ensuring the demand and feasibility of the middle-income units. Per the Concord market study date January 2018, the 80% - 120% MOHCD AMI levels compare to current market rate rents as follows:

	Gross Rents			
MOHCD AMI	Studio	1 BDRM	2 BDRM	3 BDRM
80% AMI	\$1,658	\$1,894	\$2,131	\$2,368
100% AMI	\$2,073	\$2,368	\$2,664	\$2,960
120% AMI	\$2,488	\$2,841	\$3,196	\$3,553
Market	\$3,136	\$3,932	\$5,636	\$4,588

4.7 Marketing & Occupancy Preferences

The sponsor will submit a Marketing Plan, including Tenant Selection Criteria for MOHCD approval 6 months prior to lease-up. MOHCD will approve applicable preferences, marketing criteria and lottery procedure at that time.

Marketing and leasing for both buildings will follow San Francisco requirements and will conform to MOHCD’s marketing and tenant selection criteria. John Stewart Company will conduct outreach to neighborhood-based, non-profit housing corporations, agencies and other low-income housing advocacy organizations that maintain waiting lists or make referrals for the City Lottery. Marketing materials will be printed in Chinese, English, Spanish and Tagalog, and published in a variety of publications that represent a broad range of non-English speaking populations. Among all eligible applicants, additional preference will be observed in the following order:

1. San Francisco Redevelopment Agency Certificate of Preference Holders,
2. Displaced Tenant Housing Preference (Ellis Act/ OMI) Certificate Holders,
3. Neighborhood Resident Preference, and
4. Live or Work in San Francisco

For 88 Broadway, the above City Lottery preferences will not apply to the units under the Project Based Section 8 Voucher contract with San Francisco Housing Authority (SFHA). SFHA will market the PBV units and establish and maintain the waitlist according to preferences in the SFHA Administrative Plan for the site. As of the proposed 2019 Administrative Plan, the 88 Broadway Site Based Preferences were as follows:

88 Broadway Site-Based Preferences

- Veteran/Surviving Spouse (+1)
- Families with a Right-to-Return of Potrero Terrace & Annex (17 points)
- HOPE SF Construction (16 points)
- Involuntarily Displaced with Residential Certificate of Preference (COP) (11 points)
- Families with minor children living in a SRO (7 points)
- Involuntarily Displaced from San Francisco Residence (5 points)

For 735 Davis, the above City Lottery preferences do not apply to the referrals for the LOSP units will come through the Coordinated Entry System (CES) referral process for single adults managed by Episcopal Community Services (ECS), funded by the Department of Homelessness and Supportive Housing.

4.8 Relocation.

Both sites are currently on month-to-month leases or interim leases with the parking operators. No relocation is required.

5 DEVELOPMENT TEAM

Development Team			
Consultant Type	Name	SBE/LBE	Outstanding Procurement Issues
Architect	Leddy Maytum Stacy Architects	N	N
Landscape Architect	Andrea Cochran Landscape Architecture (ACLA)	Y	N

General Contractor	Cahill Contractors	N	N
Owner's Rep/Construction Manager	CM2	N	N
Financial Consultant	California Housing Partnership Corporation	N	N
Legal	Goldfarb & Lipman	N	N

5.1 Outstanding Procurement Issues.

The project submitted a procurement plan for all professional services across both projects to the Contract Monitoring Division (CMD) and received approval. Most of the procurement was completed as part of one outreach process for both projects to facilitate cost and time efficiencies of developing the two projects simultaneously. The projects will work with CMD to meet its determined SBE goal of 14% for each project. Currently the sponsors have achieved 17% SBE for 88 Broadway and 10% SBE for 735 Davis for professional services.

The General Contractor awaits determination of the construction goals for the project from the City's Contract Monitoring Division. The General Contractor currently assumes a range of 15% to 25% for its SBE goal based on current projects under construction in San Francisco.

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 (this project and historical for the project):

\$3,800,000 for 88 Broadway; \$2,200,000 for 735 Davis

6.2 Disbursement Status. As of December 12, 2018 the 88 Broadway loan was 62.5% disbursed with approximately \$1,425,000 in remaining funds for disbursement and 735 Davis was 67.4% disbursed with approximately \$716,800 in remaining funds for disbursement.

6.3 Fulfillment of Loan Conditions:

Note: All previous conditions that are reported as still in process will be rolled over as conditions of this loan request.

Condition: Sponsor will adequately provide Port necessary information for the Port to make the public parking feasibility determination.

Status: Completed. Sponsor has provided all necessary information to allow Port to assess the feasibility of a public parking garage. The developer submitted a feasibility analysis including estimated pricing to Port in July 2016 and the Port presented the findings to Port Commission in August 2016. A preliminary cost estimate was provided by Cahill Contractors and estimated the hard cost for the garage to be approximately \$11 million. The Port concluded that a subterranean garage was cost-prohibitive and decided to abandon the plans for replacement parking several months after the Port Commission hearing.

Condition: Sponsor and MOHCD will review architectural design changes to increase units and determine most desirable unit count and mix.

Status: Completed. Sponsor has reviewed the design options to increase units and the desire for optimum unit mix. MOHCD reviewed available options to increase units, and ultimately decided that the final unit count of 125 with 28% two bedrooms and 19% 3 bedrooms the ideal mix to meet policy objectives of housing families. The sponsor was not able to increase the total number of units for 735 Davis given the small footprint and efficient design and maximum height desired. Additionally, MOHCD approved a slight unit mix change due to redesign of the ground floor to create better electrical room layout, lobby area and other circulation considerations.

Condition: Sponsor and MOHCD will analyze financing, programmatic and regulatory considerations related to the middle income units, including live-work units, to determine desired approach.

Status: Completed. Sponsor analyzed middle income unit distribution. The sponsor obtained a market study to determine demand for the AMI levels of the middle income units and to estimate how the middle income unit rent compares to actual market rents (see section 7.4). MOHCD and the sponsor determined that there was not adequate programmatic oversight to fully support the “live-work” concept that was initially proposed. At this time, the units on Front that were previously “live-work” will be residential units with no additional “live-work” requirement.

Condition: Sponsor will analyze financial and programmatic implications of increasing 20% homeless set-aside to up to 30% of total family and senior units.

Status: Completed. Sponsor reviewed formerly homeless unit programming for both projects. For 88 Broadway, the sponsor, in collaboration with MOHCD replaced the 20% formerly homeless units with approximately 25% PBV units. For 735 Davis, the formerly homeless population was increased from just below 20% to 28%. In addition, thirteen (13) 50%/60% AMI units were reduced to 30% MOHCD AMI units.

Condition: Sponsor will work with MOHCD to refine social services plan to include resident and community serving needs. HSH and Director of HOPE SF/Director of Public Housing Initiatives must review an updated services plan and budget before gap loan.

Status: In Process. Sponsor has developed a robust services plan for both sites and entered into an MOU with Lutheran Social Services to provide services to the general population and the formerly homeless senior residents. Sponsor refined the social services plan to include programming changes on 88 Broadway (addition of PBV units) and 735 Davis (addition of 30% AMI and increase in LOSP units). DSHS and HOPE SF have yet to approve final services plan, but initial approval was given to MOHCD staff ahead of this gap loan request.

Condition: Sponsor will provide MOHCD with detail of cost containment, efficiencies and innovation strategies related to both projects.

Status: Completed. Sponsor has provided soft cost and construction cost information related to containment and cost efficiencies for combining the projects. Sponsor will continue to track these efficiencies.

Condition: Operating and development budgets must meet MOHCD underwriting guidelines and commercial space policy. Sponsor must prepare commercial development plan for review/approval by MOHCD.

Status: Complete. Sponsor has prepared updated development and operating budgets to meet MOHCD requirements for this gap loan request. MOHCD staff recommends proposed commercial space financing with exceptions to MOHCD commercial underwriting guidelines.

Condition: MOHCD must review Request For Proposals (RFPs) for equity investors before it is finalized and released for investors.

Status: Complete. Sponsor has received proposals from equity investors and lenders, reviewed proposals with MOHCD and secured LOIs with the highest bidders.

Condition: Sponsor must complete another round of value engineering during construction documents as well as consider additional funding sources in order to reduce overall project costs as well as MOHCD's gap amount.

Status: Complete. Sponsor conducted value engineering update at 100% SD and 100% DD with updates at 50% CDs. The result of value engineering was \$3.4MM in cost reduction, which did not meet MOHCD's goal of \$5MM (shared cost reduction in both projects). Cost escalation in the construction market continue to erode cost savings from value engineering and MOHCD will require further refinement of design through GC bidding and pursue delete alternatives and early bidding on certain trades to lock in pricing.

Condition: Sponsor must apply for AHP in 2019.

Status: In Process. MOHCD will bridge AHP loan and Sponsor is required to apply in March 2019 and/or 2020, if sufficient self-scoring shows competitiveness. Given the mixed income nature of 88 Broadway, it is possible that the project will not be competitive for AHP, but the project Sponsor will confirm that as a condition of this loan and pursue all methods possible to receive AHP funding.

6.4 Proposed Permanent Financing

6.4.1 Permanent Sources Evaluation Narrative:

MOHCD Gap: Total MOHCD contribution is up to \$27,908,676 for 88 Broadway (28.7% of total development costs) and up to \$18,525,252 for 735 Davis (45.7% of total development costs). The interest rate for both the MOHCD predevelopment loan and MOHCD loan is shown as 3% interest pending a true debt analysis. The interest rate on the loan will be decreased if required based on outcome of true debt test.

Tax credit equity: The sponsors have signed LOIs with Bank of America as investor for the 4% tax credits on both projects with a tax credit pricing amount of \$1.05 for 88 Broadway and \$1.045 for 735 Davis. The tax credit equity pricing achieved resulted in significantly more proceeds than previously projected.

- At the previous loan request for additional predevelopment financing, the sponsor had been projecting a conservative pricing of \$0.97 pricing due to reduction of pricing in the tax credit market after federal tax reform passed in 2017. The increase of \$0.08/credit resulted approximately \$2.4MM additional proceeds for 88 Broadway and \$1MM for 735 Davis.

- As this project was originally conceived as a mixed-income project, there was significant value to the income averaging change to the tax credit program in 2017 with the tax reform. The sponsor estimates that the inclusion of the 11 80% MOHCD AMI units yielded an additional \$8.7MM in tax credit basis (92% tax credit eligible rather than 83% prior to regulation change) with resulting additional \$8MM in tax credit equity (with previously assumed \$0.97 pricing).
- Another significant increase in permanent funding is the increase in tax credit equity related to the increase in total project developer fees. As shown in the table below, although net cash-out developer fees were reduced by approximately \$1.1M (see discussion below regarding application of TCAC's Simultaneous Project Rule), total residential fees increased by approximately \$8.9M resulting in an estimated increase in tax equity of \$3.5M.

Mortgage debt: Current projections show 88 Broadway's supportable permanent debt of \$19,815,000. The sponsors have a signed LOI with Barings for permanent debt of up to \$21,000,000 for 88 Broadway. The loan is a 17 year term with a 40 year amortization and a 4.60% interest rate. The mortgage debt is supported by net operating income, including income generated from 31 units that have a Project Based Voucher contract from SFHA. 735 Davis does not have enough cashflow to support debt, given that 15 units are supported by LOSP and 13 are supported by other City general funds to cover operating expenses only; the remaining 24 units do not have sufficient cashflow to cover debt service for a 20 year period.

AHP: The sponsors will be applying for AHP in March 2019 and expect to achieve maximum allowable per unit subsidy given high readiness and other scoring criteria. The Federal Home Loan Bank of San Francisco lowered the maximum award to any project from \$2MM in 2018 to \$1.5MM in 2019. The sponsor will work with MOHCD to assess the competitiveness of the application and reach the maximum AHP possible. This request includes MOHCD bridge loan of \$1,140,000 for 88 Broadway AHP funds and \$520,000 for 735 Davis funds based on \$10,000 per income eligible unit.

GP Equity: Approximately \$5.15MM for 88 Broadway and \$4MM for 735 Davis. Please see below for discussion about developer fee, including the fee that is contributed as GP equity to the projects.

Deferred Developer Fee: \$4,500,000 for 88 Broadway and no deferred developer fee for 735 Davis. Please see below for discussion about developer fee, including the fee that is contributed as GP equity to the projects.

Commercial Space Loan: Approximately \$2.12MM in commercial loan will be used to take out the MOHCD commercial loan bridge amount of approximately \$530,000 for 735 Davis and \$1.9MM for 88 Broadway. The sponsor has spoken with retail consultants and potential lenders to estimate the debt serviceable by the 88 Broadway restaurant and 735 Davis café spaces. As currently projected, MOHCD will be mostly repaid through this loan and receive only a small portion of repayment through residual receipts. See section 4.5.2 Commercial Space Financing for further discussion of this financing component.

6.4.2 Permanent Uses Evaluation:

This chart discusses both project budgets when they carry the same assumptions, and discusses differences as necessary.

Development Budget		
Underwriting Standard	Meets Standard? (Y/N)	Notes
Acquisition Cost is based on appraisal	N/A	Acquisition costs are not part of the predevelopment or permanent development budget. MOHCD will provide payment to the Port at fair market value pursuant to the MOHCD Port MOU. 735 Davis site was transferred to MOHCD via jurisdictional transfer.
Hard Cost per unit are within standards	Y	See Section 4.4 above for CM evaluation of hard costs
Bid Contingency is at least 5% of total hard costs	Y	The bid contingency is 2% contingency on top of the GC estimate that includes 3% escalation.
Escalation amount is commensurate with time period until expected construction start, not to exceed 15%	Y	GC escalation is estimated at 3% from time of 50% CD completion to construction start (5 months).
Construction Hard Cost Contingency is at least 5% (new construction)	Y	Owner's Hard Cost Contingency is 5%
Architecture and Engineering Fees are within standards	Y	Architecture fees are high, see Section 6.4.2 for predevelopment costs. For construction administration, the project budget includes 20% of the total A&E fee per MOHCD guidelines
Construction Management Fees are within standards	N	Fees were slightly above standard but approved by MOHCD during predevelopment. The construction manager will continue to provide services during construction to aid with cost containment.
Developer Fee is within standards, see also disbursement chart below	N	The total developer at 88 Broadway is \$11,819,495 and is \$4,944,770 at 735 Davis, which is above MOHCD Fee Limits but below TCAC fee limits (see discussion below)
Soft Cost Contingency is 10% per standards	Y	Soft Cost Contingency is 10% on remaining soft cost items during construction, which results in reduction to 5% of total soft costs
Capitalized Operating Reserves are a minimum of 3 months	Y	

Architecture and Engineering costs increased due to additional services that have been approved by MOHCD to date which totaled \$210,490. The costs were driven by multiple redesigns during approvals, resubmittal of design for Section 315 approvals, and redesign during DDs for sub consultants to meet approved architectural design after approvals and related to utility layout changes due to PGE, PUC and Port requirements.

The project budgets include some economies of scale and cost efficiencies due to having two projects designed, entitled and built at the same time.

Architecture and Engineering: Approximately 10% of total A/E fee for each project was realized through efficiencies of shared design direction and Planning/DBI reviews with equates to \$300,000 for 88 Broadway (approximately \$3MM total contract) and \$150,000 for 735 Davis (approximately \$1.5MM total contract).

Construction: \$500,000 savings was negotiated on General Contractor's General Conditions and General Requirements for both projects. In addition, the sponsor estimates a 1-2% savings on subcontractor bids which equates to an estimated \$550,000 to \$1,100,000 for 88 Broadway and \$225,000 to \$500,000 for 735 Davis. These savings are expected to be realized during GMP negotiations.

Environmental studies: The sponsor estimates that there was a 3-5% cost savings realized for CEQA and related indirect development costs equating to an estimated savings of \$16,500 to \$27,500 each for 88 Broadway and 735 Davis.

TCAC Simultaneous Project Rule – Developer Fee implications

Because 88 Broadway and 735 Davis are adjacent projects, both funded with 4% tax credits, owned by separate LPs in which the general partners for both are affiliated with, and controlled by BRIDGE and JSCo, and are beginning construction at the same time, TCAC Regulations require the projects to be considered as one project for purposes of calculating the allowable developer fees. As shown in the table below, the total cash out fee if considered two projects was projected to be \$4,250,000. Under the TCAC Simultaneous Project Rule the maximum cash out fee is \$3,160,000 calculated as follows:

Max Allowable Dev Fee for a 4% project:	\$2,500,000
Additional \$10K in Fee for each TCAC unit > 100 units:	<u>\$660,000*</u>
Total Fee Allowable	\$3,160,000

*178 total units less 10 units >80% AMI, less 2 mgr units = 66 units

Developer Fee Comparison			
	88 Broadway	735 Davis	Total
Predev Loan Eval June 2018			
Total Developer Fee	\$4,000,000	\$3,360,031	\$7,360,031
GP Equity	(\$500,000)	(\$500,000)	(\$1,000,000)
Deferred Fee	(\$1,250,000)	(\$860,031)	(\$2,110,031)
Cash Out Fee	\$2,250,000	\$2,000,000	\$4,250,000

	88 Broadway	735 Davis	Total
Current Request			
Total Developer Fee	\$11,819,495	\$4,944,770	\$16,764,265
GP Equity	(\$5,159,495)	(\$3,944,770)	(\$9,104,265)
Deferred Fee	(\$4,500,000)	\$0	(\$4,500,000)
Cash Out Fee	\$2,160,000	\$1,000,000	\$3,160,000
Reduction in Cash Out Fee to Sponsors			(\$1,090,000)
Increase in Total Fee			\$9,404,234
	88 Broadway	735 Davis	Total
Estimated Increase in Tax Credit Equity	\$7,819,495	\$1,584,739	\$9,404,234
Reduction for Fee Attributed to Commercial	(\$389,150)	(\$44,229)	(\$433,379)
Basis - Eligible Fee	\$7,430,345	\$1,540,510	\$8,970,855
Basis Boost	\$9,659,449	\$2,002,663	\$11,662,112
Applicable Fraction	90.70%	100%	130%
Qualified Basis	\$8,761,120	\$2,002,663	\$10,763,783
Underwriting Tax Rate	3.29%	3.29%	
Equity Pay-in	\$1.05	\$1.05	
Tax Credit Period (in years)	10	10	
Additional Estimated Tax Credit Equity	\$2,882,419	\$658,887	\$3,541,306

In an effort to mitigate this reduction in fee, the sponsors request the following exceptions to the MOHCD Developer Fee Policy:

1. An exception to the \$4M total fee limit
2. Accelerated payments of At-risk fee amounts at the milestones shown below

The total Deferred Developer Fee is proposed to be up to \$4.5MM, using a 3% income and 3% expenses alternative cashflow trending scenario. The amount of GP Equity and DDF is still under review by the Developer and tax counsel and will be finalized as part of the construction financing closing. MOHCD has agreed to allow the \$4.5MM maximum amount with the condition that the cashflow split is 50%/50% until \$2.5MM of aggregate deferred developer fee is paid or up to year 15, whichever comes first. The final Developer Fee will be approved by MOHCD through the Developer Fee Agreement and is a condition to this loan.

Development Fee – 88 Broadway		
MILESTONE	% of PM or AT RISK FEE	Residential
PROJECT MANAGEMENT FEE		\$1,080,000
Predevelopment Loan Close	15%	\$150,000
Receipt of Project Entitlements	35%	\$350,000
Construction Close	20%	\$256,000
Construction Completion	20%	\$216,000
Project Close Out	10%	\$108,000
Total PM Fee		\$1,080,000

AT RISK FEE		\$1,080,000
95% Occupancy	20%	\$216,000
Perm Closing	50%	\$540,000
Project Close Out (8609)	30%	\$324,000
Total At-risk Fee		\$1,080,000
Total Cash Fee		\$2,160,000
Total Non-Cash Fee:		
GP Equity		\$5,159,495
Deferred Fee, supported by 11 yrs of cashflow		\$4,500,000
Total Developer Fee		\$11,819,495
Development Fee – 735 Davis		
MILESTONE	% of PM or AT RISK FEE	Residential
PROJECT MANAGEMENT FEE		\$500,000
Predevelopment Loan Close	15%	\$150,000
Receipt of Project Entitlements	35%	\$350,000
Construction Close		
Construction Completion		
Project Close Out		
Total PM Fee		\$500,000
AT RISK FEE		\$500,000
95% Occupancy	20%	\$250,000
Perm Closing	50%	\$150,000
Project Close Out (8609)	30%	\$100,000
Total At-risk Fee		\$500,000
Total Cash Fee		\$1,000,000
Total Non-Cash Fee:		
GP Equity		\$3,994,770
Deferred Fee, supported by 15 yrs of cashflow		\$0
Total Developer Fee:		\$4,994,770

Commercial Developer Fee* (Total)		
735 Davis		
Café	Commercial Use	\$100,000
Condo/Air Rights Fee		\$50,000
	Total 735 Davis	\$150,000

88 Broadway		
YMCA Childcare	Public Benefit Use	\$250,000
Condo/Air Rights Fee	2 subdivisions	\$50,000
	Total 88 Broadway	\$300,000
735 Davis & 88 Broadway	Total Combined Comm. Fee	\$450,000

*See Section 4.5.2 Commercial Space Financing for more information on the commercial developer fee and waivers requested to MOHCD policy.

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

7.1 Annual Operating Budget

The overarching goal is to take advantage of economies of scale made possible by the close proximity of the two projects, while appropriately staffing for the respective residents of each project:

- One experienced property manager shared by both projects
- 24/7 desk clerk coverage at 735 Davis, with weekday desk coverage at 88 Broadway provided by assistant manager
- 2 Maintenance and 2 Janitorial staff allocated 1.6 FTE to 88 Broadway & .4 FTE to 735 Davis, in recognition of the greater need at the family project

PUPA with reserves/GL/Bond fees for 88 Broadway is \$10,365; PUPA with reserves/GL/Bond fees for 735 Davis Broadway is \$14,480 (\$18,385 for LOSP and \$12,938 for non-LOSP).

7.2 Income - See Attachment J for detail.

88 Broadway income includes rental income from 30% - 60% MOHCD AMI households as well as rental subsidy from the 31 PBV units with income from a 20-year HAP contract with SFHA. 735 Davis income includes rental income from 30% - 60% MOHCD AMI affordable units and tenant-paid rents for LOSP as well as local City subsidy for 28 units with LOSP and ELI senior pilot subsidy.

In addition to a LOSP contract to support the 15 households placed through HSH’s Coordinated Entry, there will be another City operating subsidy contract for the 13 units set at 30% AMI. This subsidy is an ELI senior operating subsidy pilot created for 735 Davis and is the first of its kind in MOHCD’s portfolio. The ELI senior operating subsidy pilot program was created due to the disproportionately low-income population of seniors in D3. According to income data analyzed by MOHCD, in D3 56% of seniors are at or below 30% AMI compared to the Citywide statistic of 41% of all seniors are at or below 30% AMI. The subsidy will be approved along with the LOSP contract and will come from a general fund commitment that will increase with standard contract cost of living increases allowable under similar contracts to City grantees.

Both projects also have income from the middle-income units. Middle income units will be restricted at 70% MOHCD AMI (tax credit eligible) for the 735 Davis senior project and at 80%, 100% and 120% MOHCD AMI for the 88 Broadway family project.

88 Broadway (2018 MOHCD rents):

Unit Type	Non-Subsidized						Subsidized (PBV)		
	30%	50%	60%	80%	100%	120%	50%	60%	
Studio	1	3	7	1	1	0	2	1	
1BR	2	6	13	3	1	2	7	3	
2BR	1	8	17	6	2	2	9	3	
3BR	1	5	8	1	1	1	4	2	
Total	5	22	45	11	5	5	22	9	124

Maximum Rents						
Unit Type	30%	50%	60%	80%	100%	120%
Studio	\$621	\$1,036	\$1,244	\$1,658	\$2,073	\$2,488
1BR	\$710	\$1,184	\$1,420	\$1,894	\$2,368	\$2,841
2BR	\$799	\$1,333	\$1,599	\$2,131	\$2,664	\$3,196
3BR	\$888	\$1,480	\$1,776	\$2,368	\$2,960	\$3,553

735 Davis (2018 MOHCD rents):

Unit Type	Non-Subsidized			Subsidized (LOSP & non-LOSP)		
	50%	60%	70%	40% LOSP	30% non-LOSP	
Studio	6	0	1	7	9	
1BR	4	6	7	8	4	
2BR	0	0	0	0	0	
Total	10	6	8	15	13	52

Maximum Rents				
Unit Type	40%	50%	60%	70%
Studio	\$829	\$1,036	\$1,244	\$1,555
1BR	\$948	\$1,184	\$1,420	\$1,776
2BR	\$1,065	\$1,333	\$1,599	\$1,998

7.3 Annual Operating Expenses Evaluation.

Operating Proforma		
Underwriting Standard	Meets Standard? (Y/N)	Notes (per project)
Debt Service Coverage Ratio is between minimum 1.10:1 and maximum 1.15:1 at year 1	Y	88 Broadway has a DSCR of 1.15 in Year 1; 735 Davis will not have any permanent debt
Debt Service Coverage Ratio stays above 1.00:1 for entirety of projected 20-year cash flow	Y	88 Broadway has approximately 1.4 DSCR in Year 17. 735 Davis project will not have a must pay debt obligation, and has approximately \$25,000 in NOI in Year 17. Like other small supportive housing projects in MOHCD proforma, 735 Davis will need increasing LOSP and non-LOSP operating subsidy for continued operations over the 55

		year loan term and 99 year ground lease term.
Vacancy meets TCAC Standards	Y	Vacancy is 5%
Annual Income Growth is increased at 2.5% per year	Y	Income escalation factor is 2.5%
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	PUPA with reserves/GL/Bond fees for 88 Broadway is \$10,365; PUPA with reserves/GL/Bond fees for 735 Davis Broadway is \$14,480 (\$18,385 for LOSP and \$12,938 for non-LOSP)
Property Management Fee is at allowable HUD Maximum	Y	Property management fee meets MOHCD underwriting.
Property Management staffing level is reasonable per comparables	Y	88 Broadway and 735 Davis will share staffing to take advantage of operational efficiencies between the two projects. There will be eight (8) FTEs across both projects; 1 Property Manager, 1 Assistant Manager, 1 recertification clerk, 2 Maintenance staff and 2 janitorial staff. Sponsor has requested nights and evening desk clerk coverage for 735 Davis, with 75% of cost allocated to the LOSP contract. HSH has not approved this yet, and HSH approval is a loan condition.
Asset Management and Partnership Management Fees meet standards	Y	Annual AM Fee is \$19,080 Annual PM Fee is \$23,230
Replacement Reserve Deposits meet or exceed TCAC minimum standards	Y	
Limited Partnership Asset Management Fee meets standards	Y	
Other: Property Taxes	Y	Approximately \$60K is included in the operating budget to cover property taxes on the non-income eligible units (21 total) based on NOI/cap rate methodology for tax assessment as discussed with SF Tax Assessor's Office.

8 SUPPORT SERVICES

8.1 Services Plan.

BRIDGE, JSCo, and Lutheran Social Services (“LSS”) will be partnering to provide high quality services for the residents of 88 Broadway and 735 Davis, including programs and services for families and senior residents with programs targeted specifically to the needs of formerly homeless. BRIDGE and JSCo will be leading the resident services for the building by working with community partners. LSS will focus on the families and seniors as well as residents who are moving out of homelessness. All of the partners are determined to accomplish the goals of decreasing concentrations of poverty by developing a healthy, sustainable and active community, and contributing to the health of the surrounding neighborhood.

BRIDGE and JSCo have the paramount goal of providing safe and stable affordable housing for low and very low-income families moving out of homelessness with a variety of demographics in terms of age, ethnicity, primary language, education, work status, and family composition. All of these individuals and families will have full access to the supportive services put in place by BRIDGE and LSS by collaborating with local and city-wide non-profits.

Family Service Providers		
Staff	Organization	Description of Services
Director of Resident Services	BRIDGE	Oversees all services onsite, creates and coordinates partnerships
Resident Services Coordinator	BRIDGE	Coordinates the delivery of services and programs, provides supportive services links and community programs
LSS Program Manager	LSS	Oversees LSS Staff and services
Family Case Managers – bilingual	LSS	Intake and Assessment, Individual Outreach, Case Management , Benefits Advocacy and Assistance, Information and Referrals, Mediation and Advocacy with Property Management, Social Events and Organized Tenant Activities, Rental Assistance Referrals
Child Care	YMCA	The YMCA childcare center will provide a full day care program for working families or parents in job training and educational programs for families.
Partnerships-Community local Non-Profits	YMCA, with other CBO’s as needed	Access to City benefit programs, community medical care clothing and food needs, parenting support and life skills, educational opportunities, pre-vocational/vocational activities, school system problems, adult education, academic support, after school enrichment, recreation, counseling services, eviction prevention and mental health services

Senior Service Providers

Staff	Organization	Description of Services
Director of Resident Service Department	BRIDGE	Oversees all services onsite, creates and coordinates partnerships
Resident Services Coordinator	BRIDGE	Coordinates the delivery of services and programs, provides supportive services links and community programs
LSS Program Manager	LSS	Oversees LSS Staff and services
Senior Services Case Managers – bilingual	LSS	Intake and Assessment, Individual Outreach, Case Management , Benefits Advocacy and Assistance, Information and Referrals, Mediation and Advocacy with Property Management, Social Events and Organized Tenant Activities, Rental Assistance Referrals

8.2 Service Budget.

The proposed services budget for 735 Davis is \$90,950 with intensive case management for the LOSP units. The proposed services budget for 88 Broadway is \$104,595. The HSH Tier guidance suggests a 0.6 FTE case manager and other eligible costs for \$80,820 to support the LOSP referral residents. The remaining services budget will be supported by 735 Davis operating budget. The services budget will need to be further revised in consultation with MOHCD and HSH and is a condition of this loan.

8.3 HSH Assessment of Service Plan and Budget.

HSH has received the services plan and budget for 735 Davis, but has not yet approved the plan. MOHCD provided comments to the Sponsors and the services plan and budget approval is a condition of this loan.

MOHCD and HOPE SF will review and approve the services plan and budget for 88 Broadway, but has not yet approved. MOHCD has provided the services plan and budget to HOPE SF and MOHCD Director of Public Housing Initiatives and will send comments to the Sponsors. Approval of this services plan and budget is a condition of this loan.

9 STAFF RECOMMENDATIONS

Proposed Loan/Grant Terms

Financial Description of Proposed Loan	
Loan Amount (Amended and Restated):	88 Broadway: \$27,908,676 735 Davis: \$18,525,959
Bridge Loan Amounts (not included above):	88 Broadway: AHP: \$1,140,000 Commercial: \$1,972,063 735 Davis:

	AHP: \$520,000 Commercial: \$537,598
Loan Term:	57 years for Gap Loan Bridge loans will be included in the Gap Loan Agreements and those will be repaid prior to conversion when the AHP and commercial loan proceeds are secured by the Sponsor
Loan Maturity Date:	2076
Loan Repayment Type:	Residual Receipts (bridge loans payable when AHP and commercial loan are received)
Loan Interest Rate:	3% (may be decreased depending on true debt analysis)

9.1 Recommended prior to closing gap loan: disbursement conditions/schedule:

- Sponsor must send competitive 2019 AHP self-score to MOHCD for approval of final AHP bridge loan amounts
- Sponsor must receive HSH approval for 735 Davis Services Plan and Budget
- Sponsor must receive HOPE SF approval for 88 Broadway Services Plans and Budget
- Sponsor must work with MOHCD to receive soft commitment letter for LOSP contract and ELI pilot contract
- Sponsor must receive MOHCD approval of final GMP contract, including GMP pricing
- Sponsor must provide MOHCD with true debt analysis for each project and receive MOHCD approval for final interest rate on MOHCD loans
- Sponsor must receive MOHCD final approval of Developer Fee, which will be reflected in final Developer Fee Agreement with MOHCD
- Sponsor must receive MOHCD approval of closing set of financing Sources & Uses

9.2 Recommended conditions post closing gap loan:

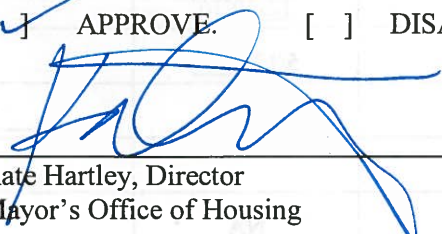
- Sponsor must apply for AHP in March 2019 and if not awarded in 2019 apply again in 2020
- MOHCD must approval final commercial space structure and associated financing plan

10 LOAN COMMITTEE MODIFICATIONS

LOAN COMMITTEE RECOMMENDATION

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


APPROVE. DISAPPROVE. TAKE NO ACTION.



Kate Hartley, Director
Mayor's Office of Housing

Date: 1/18/19

APPROVE. DISAPPROVE. TAKE NO ACTION.



Kerry Abbott, Deputy Director of Programs
Department of Homelessness and Supportive Housing

Date: 1-18-19

APPROVE. DISAPPROVE. TAKE NO ACTION.



Nadia Sesay, Executive Director
Office of Community Investment and Infrastructure

Date: 1-18-19

- Attachments:
- A. Project Milestones/Schedule
 - B. Borrower Org Chart
 - C. Developer Resumes
 - D. Asset Management Analysis of Sponsor
 - E. Site Map with amenities
 - F. Elevations and Floor Plans, if available
 - G. Comparison of City Investment in Other Housing Developments
 - H. Sources and Uses
 - I. Development Budget
 - J. 1st Year Operating Budget
 - K. 20-year Operating Pro Forma
 - L. Supportive Services Plans and Budgets
 - M. Commercial Space Financing Plan and Organizational Diagram

Attachment A: Project Milestones and Schedule

No.	Performance Milestone	Estimated or Actual Date	Contractual Deadline
A.	Prop I Noticing (if applicable)	<u>12/20/16</u>	
1	Acquisition/Predev Financing Commitment	<u>5/12/2017</u>	
2.	Site Acquisition (Option to Ground Lease)	<u>8/27/18</u>	_____
3.	Development Team Selection		
a.	Architect	<u>NA</u>	
b.	General Contractor	<u>5/1/17</u>	
c.	Owner's Representative	<u>10/31/17</u>	
d.	Property Manager	<u>NA</u>	
e.	Service Provider	<u>NA</u>	
4.	Design		
a.	Submittal of Schematic Design & Cost Estimate	<u>8/7/17</u>	
b.	Submittal of Design Development & Cost Estimate	<u>2/15/18</u>	
c.	Submittal of 50% CD Set & Cost Estimate	<u>11/27/18</u>	
d.	Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	<u>12/3/18</u>	
5.	Environ Review/Land-Use Entitlements		
a.	CEQA Environ Review Submission	<u>8/9/16</u>	
b.	NEPA Environ Review Submission	<u>4/03/17</u>	
c.	CUP/PUD/Variances Submission	<u>10/10/16</u>	
6.	Permits		
a.	Building / Site Permit Application Submitted	<u>11/15/17</u>	
b.	Addendum #1+ #2 Submitted	<u>12/7/18</u>	
c.	Addendum #3 Submitted	<u>January 2019</u>	
7.	Request for Bids Issued	<u>February 2019</u>	
8.	Service Plan Submission		
a.	Preliminary	<u>12/18/19</u>	
b.	Interim (at time of LOSP funding application)	<u>September 2019</u>	
c.	Update		
9.	Additional City Financing		
a.	Predevelopment Financing Application #2	<u>05/21/18</u>	

b.	Gap Financing Application	<u>12/18/18</u>	
c.	LOSP – Budget Office Commitment Letter	<u>January 2019</u>	
10.	Other Financing		
a.	AHSC Application	<u>N/A</u>	
b.	Construction Financing RFP	<u>09/26/18</u>	
c.	AHP Application	<u>March 2019</u>	
d.	AHAP Execution	<u>April 2019</u>	
e.	CDLAC Application	<u>10/12/18</u>	
f.	TCAC Application	<u>10/12/18</u>	
g.	HUD 202 or 811 Application	<u>N/A</u>	
h.	Other Financing Application		
11.	Closing		
a.	Construction Closing	<u>April 2019</u>	
b.	Permanent Financing Closing	<u>March 2022</u>	
12.	Construction		
a.	Notice to Proceed	<u>April 2019</u>	_____
b.	Temporary Certificate of Occupancy/Cert of Substantial Completion	<u>October 2020</u>	_____
13.	Marketing/Rent-up		
a.	Marketing Plan Submission	<u>April 2020</u>	_____
b.	Commence Marketing	<u>July 2020</u>	
c.	95% Occupancy	<u>September 2021</u>	_____
14.	Cost Certification/8609	<u>September 2022</u>	
15.	Close Out MOH/OCII Loan(s)	<u>January 2023</u>	

Attachment B: Borrower Org Chart

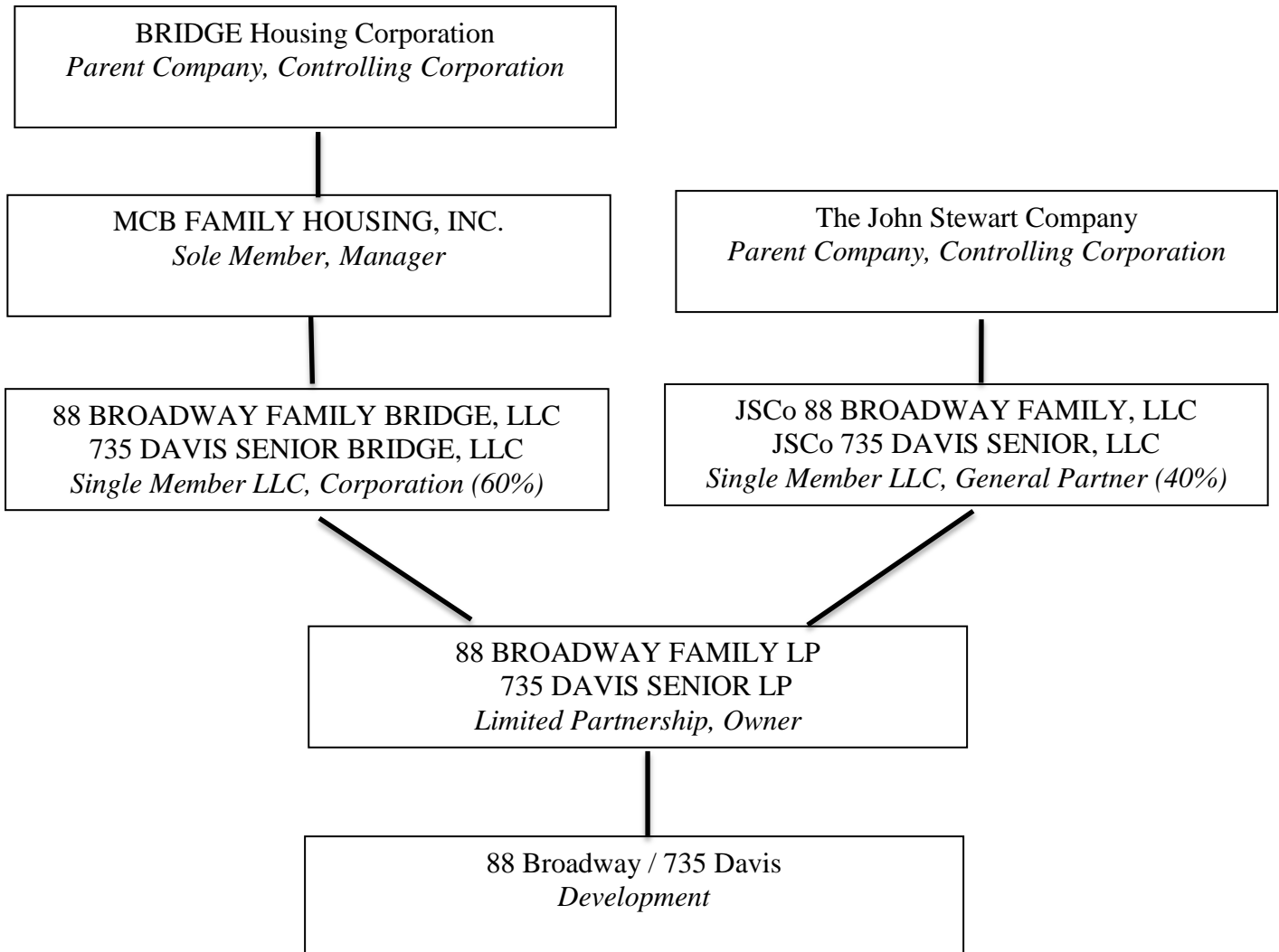
For both the family and senior developments, BRIDGE Housing Corporation (“BRIDGE”) and The John Stewart Company (“JSCo”) will be co-general partners in to be formed Limited Partnerships. The Limited Partnerships will develop and own both the family and senior buildings at 88 Broadway.

The Port of San Francisco currently owns the parcel at corner of Broadway and Front Streets and The City owns the parcel adjacent to the Port Site and on its eastern side along Davis Street. The Limited Partnership, comprised of the co-general partners, will enter into a ground lease with the Port (subject to Port Commission approval) and MOHCD respectively.

The Limited Partnerships will not have exempt status under Section 501 (c)(3) of the Internal Revenue Code. However, BRIDGE Housing Corporation, a co-controlling corporation, is Qualified under Section 501(c)(3) of the Internal Revenue Code or Under Section 23701(d) of the California Revenue and Taxation Code.

The John Stewart Company is California corporation and will be a co-general partner in each of the Limited Partnerships.

The below structure outlined, will be used for both the family and senior developments with separate Limited Partnerships formed.



Attachment C: Developer Resume

88 Broadway will be developed by a joint venture created by two of San Francisco's longest established affordable housing developers, BRIDGE Housing Corporation and the John Stewart Company. Our two organizations combine development and management experience, financial strength, and strong roots in San Francisco. Our partnership will leverage the talents and resources of our two organizations to collectively deliver two high-quality affordable housing projects that meet the intended goals of the City and responds to the community's historical, social and architectural context.

BRIDGE Housing Corporation ("BRIDGE"): founded and headquartered in San Francisco, is the largest developer of affordable and workforce housing in California. Our mission is to produce high-quality homes for families and seniors at a variety of income levels, with a focus on those who are not served by the housing market. BRIDGE has developed over 13,000 units of affordable housing in its 32 year history, including over 1,700 affordable units in San Francisco. BRIDGE is organized as a non-profit. Since beginning active operations in 1983, BRIDGE has participated in the development of 14,000 homes and over 350,000 square feet of retail/commercial space in close to 100 properties valued at more than \$3 billion.

The John Stewart Company (JSCo) was founded in 1978 based on John Stewart's personal commitment to providing high quality management for affordable housing in the Bay Area. With more than 35 years of experience in the industry, JSCo brings significant housing ownership and operations experience to the team. JSCo has developed over 5,000 units of housing throughout California, the majority of which are affordable. The firm has extensive experience financing projects with tax credits, tax exempt bonds, HUD programs and other public and private funding sources and has developed, owned and managed properties very similar to 88 Broadway. Of the portfolio of units it has developed, JSCo currently owns or has long term leasehold of approximately 3,000 of those units. JSCo provides property management for all of the properties it owns and also has experience successfully leasing and managing commercial space, such as the 20,000 square feet of commercial space at North Beach Place.

Marie Debor - Vice President of Development BRIDGE Ms. Debor is responsible for the coordination of all aspects of development and financing for BRIDGE's affordable residential developments. She is currently also overseeing the sale of a large scale, fully entitled market-rate project in the City of Oakland including 400 rental units and approximately 20,000 square feet of retail. Prior to joining BRIDGE in October of 2015, Ms. Debor worked as a Vice President of Development for the Related Companies of California, a full-service development firm known for developing quality affordable, mixed-income and market rate housing, where she oversaw a team of three project management professionals that acquired, developed and rehabilitated affordable housing projects throughout the state of California. Ms. Debor was responsible for the financing of more than 660 housing units securing nearly a quarter billion dollars of public and private funding. She began her career as a Research Analyst working in the commercial real estate brokerage industry at Cushman Realty in Orange County. Ms. Debor holds a bachelor's degree in Business Administration with an emphasis in Finance from the University of San Diego and an Associate Degree in Hotel and Restaurant Management from Cesar Ritz College in Le Bouveret, Switzerland.

Margaret Miller – Vice President of Development JSCo Margaret Miller joined the John Stewart Company in 2004 as a Project Manager and has been promoted over the past 11 years to now serve as JSCo's Vice President for Development. In this capacity she supervises three full-time Project Managers and oversees the full range of corporate activities related to developing

affordable and mixed-income multifamily housing, including identifying and acquiring properties, business development, project design, obtaining entitlements and environmental approvals, financial structuring, loan packaging, construction oversight and regulatory compliance. Ms. Miller's experience includes a wide variety of tasks relating to planning, community development and real estate development. For example, while earning her Master's Degree in Real Estate Development from Columbia University, Ms. Miller worked at Avalon Bay Communities, a national real estate developer, where she developed a proposal for green residential building in Battery Park City and conducted market research informing amenity and design decisions at the firm. Prior to moving to New York City, Ms. Miller formed and managed a real estate investment partnership that purchased multiple residential rental properties in Idaho. Ms. Miller has also worked at an early stage company managing relationships and projects with Fortune 500 companies and university partners, a socially responsible venture capital fund in Boston, Massachusetts, and was appointed by the Mayor of Portland, Oregon to serve on the Northwest Area Plan Committee to devise a strategic 20-year plan for the growth of Portland's Northwest Plan Area. Ms. Miller currently serves on the board of the San Francisco Housing Action Coalition. Ms. Miller holds a Bachelor's Degree in American History with a Minor in Economics from Bowdoin College, a Master's Degree in Real Estate Development from Columbia University in New York, and was a fellow at the University of Pennsylvania's Center for Urban Redevelopment Excellence.

Don Lusty – Director of Development Don Lusty joined the John Stewart Company (JSCO) in December 2017, bringing with him nearly 20 years of experience in affordable housing development. Prior to joining JSCO, Don was a senior project manager at the San Francisco Mayor's Office of Housing and Community Development (MOHCD), where he worked on a variety of projects including: preservation of affordable units at mixed income properties with expiring affordability requirements; new affordable housing projects financed with City funding; updating MOHCD underwriting guidelines; and review and approval of the housing components of development agreements for large multi-phased new market-rate developments. Prior to MOHCD, Don worked as a Project Manager at both Related California and BRIDGE Housing Corporation where he managed the development process for a diverse portfolio of both new construction and acquisition rehabilitation projects, on in-fill sites in the greater Bay Area including the Coronet Senior Living and Health Center located in San Francisco, and the rehabilitation of the Berkeley Housing Authority's portfolio of public housing. Don began his career in affordable housing as a project manager in the Development Department at the Housing Authority of the County of Santa Clara, where he oversaw the development of several projects in the South Bay. He holds a Master's in City Planning from UC Berkeley and a Master's in Tax Accounting from the University of Colorado Boulder.

Jelani Dotson – Project Manager Jelani is responsible for management of all aspects of development for BRIDGE's affordable residential projects. He is currently involved in ground-up urban infill and master plan projects with units affordable to low and moderate-income families as well as seniors and homeless individuals. Prior to joining BRIDGE in January 2018, Mr. Dotson worked for eight years as Project Manager and Financial Analyst with Brookwood Group, a project management and development firm, where he focused on mixed-income and market-rate master plan and infill development projects in South San Francisco and Santa Clara. In addition to managing project teams, Mr. Dotson managed business development and capital raising activities for Brookwood Group. Early in his career, Mr. Dotson founded and operated for five years Dotson Design and Development where he was responsible for developing residential properties in the Bay Area. Mr. Dotson holds bachelor and master degrees in Architecture from the University of California, Berkeley and a MBA degree from Yale University.

Attachment D: Asset Management Evaluation of Project Sponsor

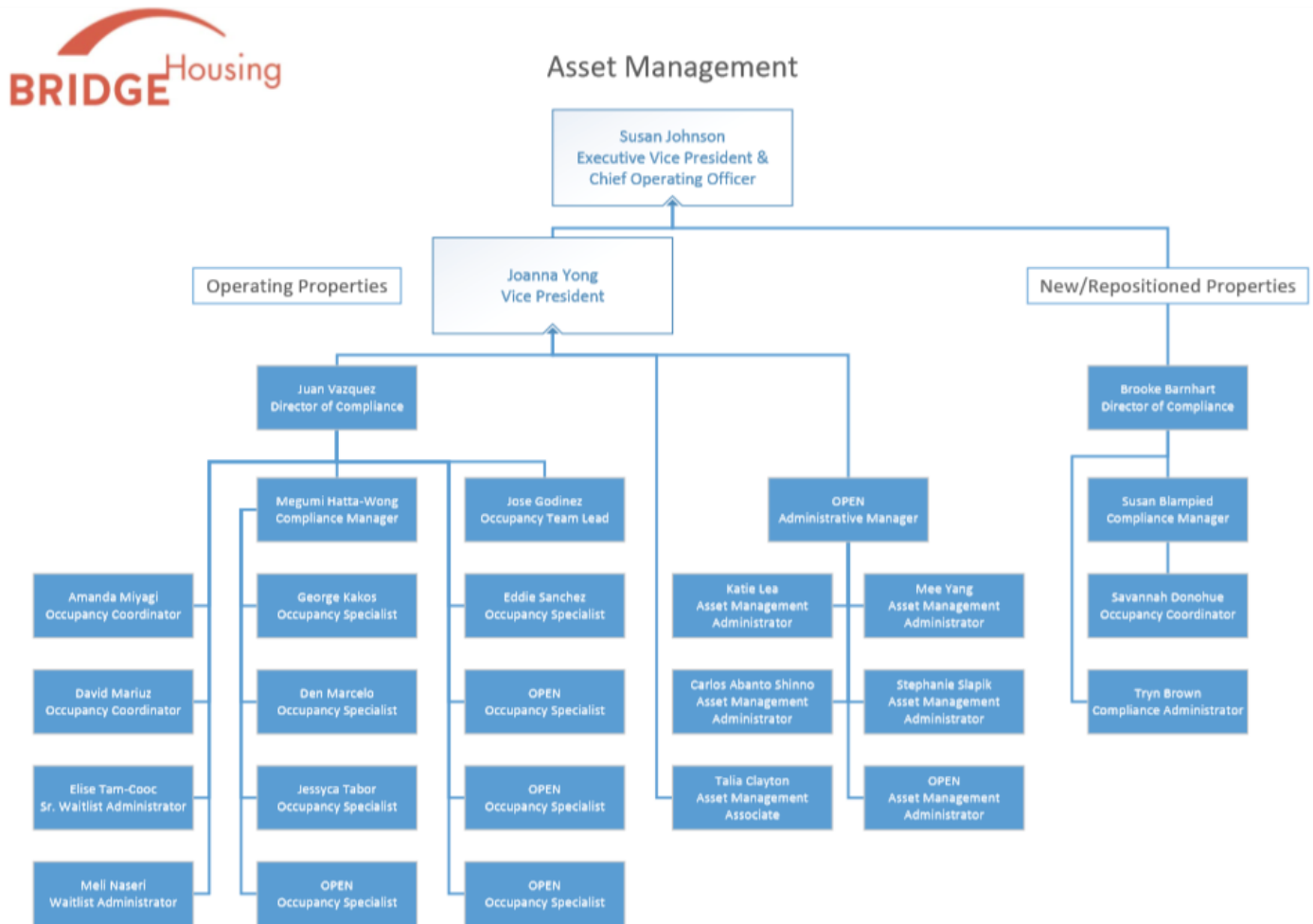
1. # of projects and avg. # of units/project currently in sponsor’s asset management Portfolio

BRIDGE has:

- 106 projects in portfolio (note: this includes properties that are co-asset managed)
- 11,693 total units
- Average: 110 units/projects

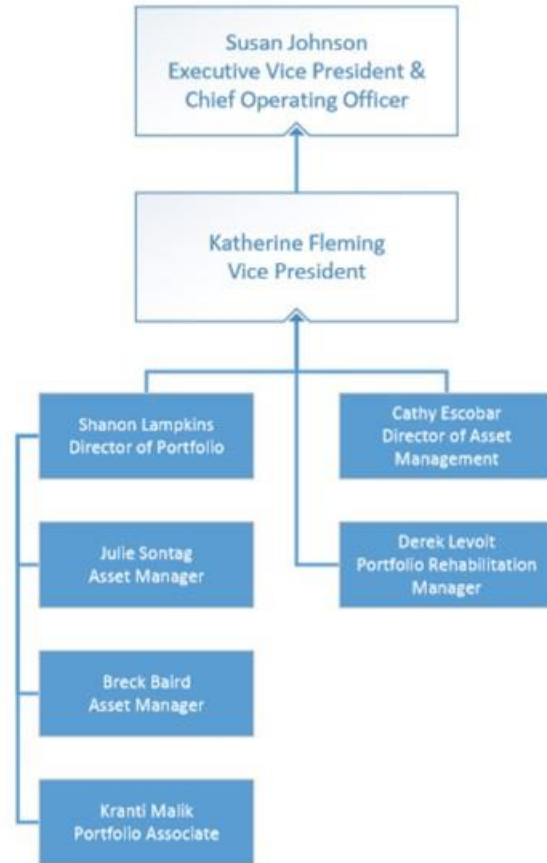
BRIDGE also has over 300,000 square feet of commercial space in its portfolio, ranging from nonprofit office space to community serving facilities to traditional retail. With this amount of commercial space under management, BRIDGE has developed an expertise in keeping their commercial assets leased and balancing the needs of residents, commercial tenants, and the surrounding community.

2. Sponsor’s current asset management staffing – job titles, FTEs, org chart and status of each position (filled/vacant)





Portfolio Management



BRIDGE's Asset Management Team is organized and structured to be able to take on several new properties per year. The addition of the two new buildings at 88 Broadway and 735 Davis to the team's responsibilities will be integrated into BRIDGE's current Asset Management/Portfolio Management organizational framework.

The BRIDGE Asset and Portfolio Management team consists of a team of 34 full time positions that monitor and oversee occupancy, regulatory compliance, lender/agency and investor reporting, property financial performance and physical needs, including larger capital and sustainability projects. See attached Asset and Portfolio Management organization chart.

3. Description of scope and range of duties of sponsor's asset management team

In 2017, 3 properties/368 units came under BRIDGE's Asset Management team whose responsibilities include compliance/investor/lender/agency relations, leasing of properties, due diligence of new acquisitions, portfolio management and risk management.

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

The Asset Management team works with other BRIDGE departments to ensure the long-term financial and physical health and regulatory compliance of BRIDGE-owned real estate.

Examples of BRIDGE Asset Management's cross-department coordination include:

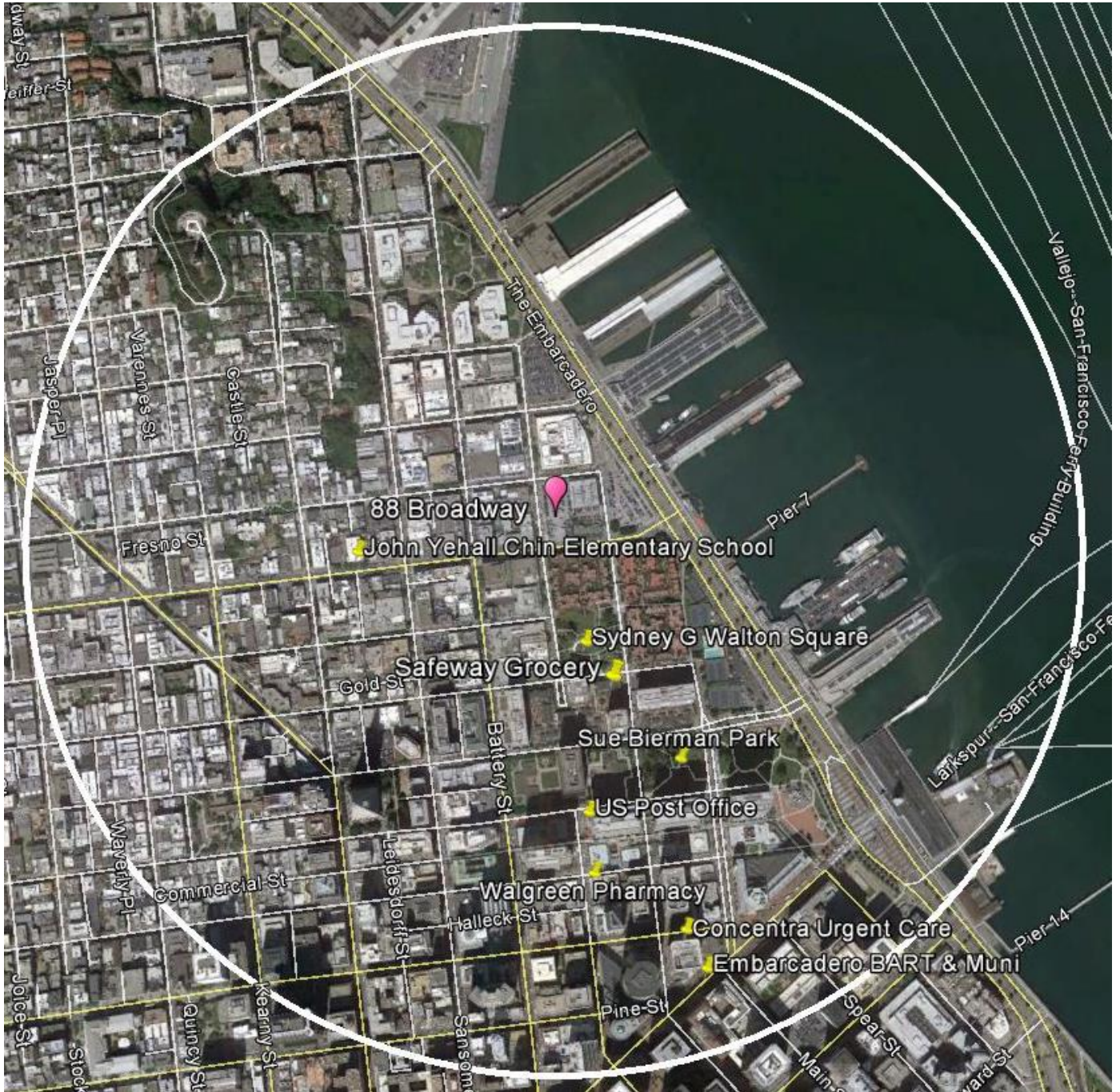
- providing due diligence services to the Real Estate Development team prior to acquisition of new properties
- coordinating with Property Management to ensure that the physical needs of the portfolio are met, including obtaining physical needs assessments and overseeing small and medium-sized rehabilitation projects
- working with the Finance team to budget, monitor, report on and audit the financial health of BRIDGE's assets at property and portfolio levels
- ensuring that properties comply with the numerous regulatory requirements and other use restrictions that are unique to affordable housing
- analyzing project and portfolio performance; recommending financial restructuring as appropriate, including new re-syndication opportunities and refinancing debt; implementing investor exits (buyouts)
- providing insurance services for the entire organization to maintain effective risk management

5. 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

BRIDGE five-year pipeline: 34 properties and 4,219 units

Asset management staff will be added as needed to ensure all duties are performed and assets are well maintained.

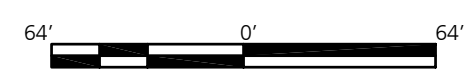
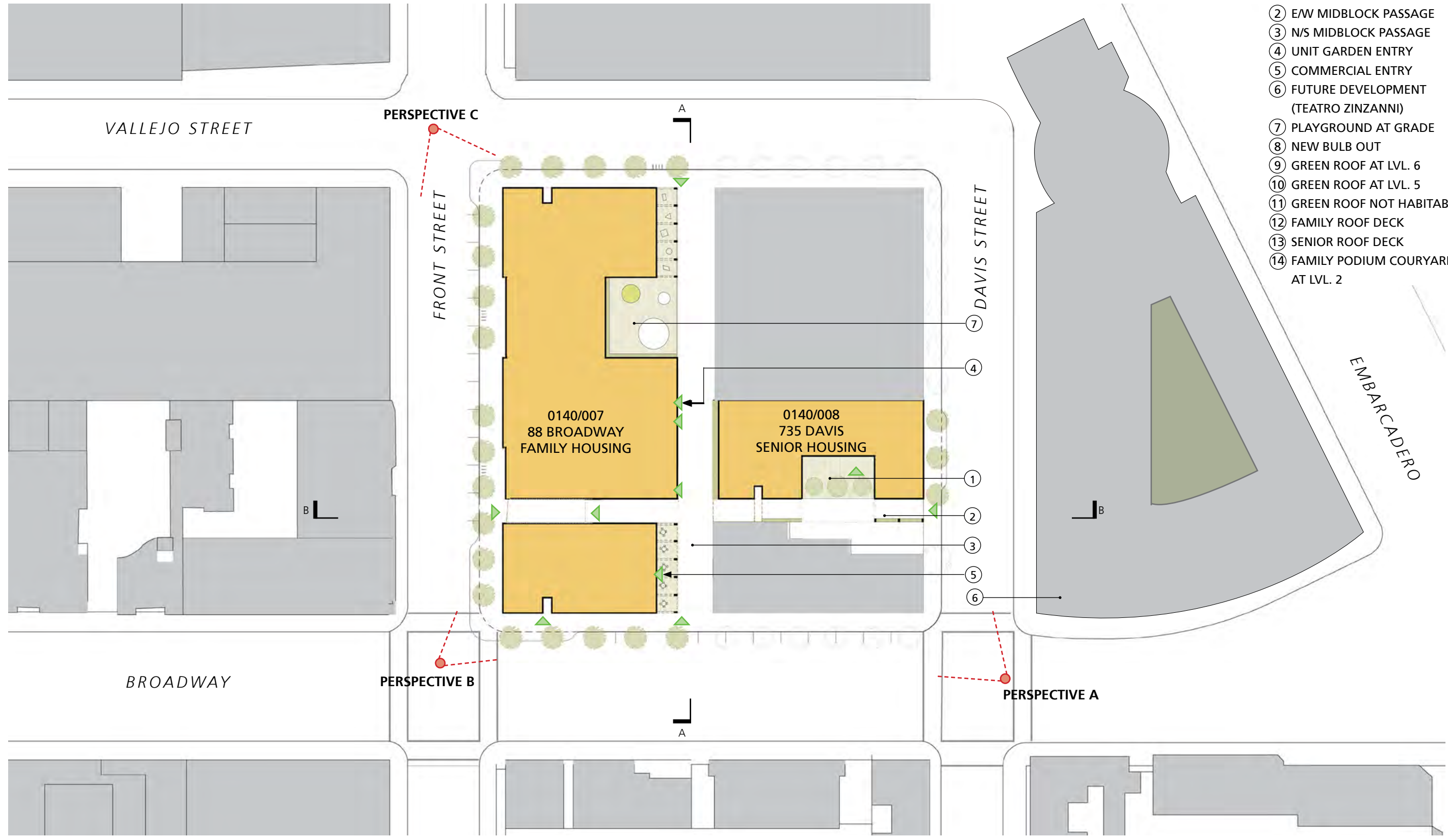
Attachment E: Site Map with amenities



88 Broadway Site Amenities within 0.5 Miles.

Attachment F: Elevations and Floor Plans

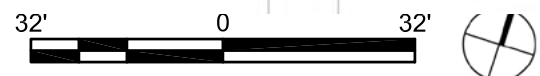
- ① COMMON COURTYARD AT GRADE
- ② EW MIDBLOCK PASSAGE
- ③ N/S MIDBLOCK PASSAGE
- ④ UNIT GARDEN ENTRY
- ⑤ COMMERCIAL ENTRY
- ⑥ FUTURE DEVELOPMENT (TEATRO ZINZANNI)
- ⑦ PLAYGROUND AT GRADE
- ⑧ NEW BULB OUT
- ⑨ GREEN ROOF AT LVL. 6
- ⑩ GREEN ROOF AT LVL. 5
- ⑪ GREEN ROOF NOT HABITABLE
- ⑫ FAMILY ROOF DECK
- ⑬ SENIOR ROOF DECK
- ⑭ FAMILY PODIUM COURTYARD AT LVL. 2



SITE PLAN



GROUND FLOOR PLAN



BROADWAY STREET

VALLEJO STREET

FLOOR PLAN KEYNOTES:

- ① UNIT ENTRY GATE / FENCE
- ② TREE WELL COVER; S.L.D.
- ③ TEXTURED PAVEMENT, CONC. PAVERS; S.L.D.
- ④ MID-BLOCK GATE
- ⑤ GRADE PLANTER
- ⑥ NEW STREET TREE
- ⑦ CLASS II BIKE PARKING
- ⑧ MTL. & GLASS CANOPY
- ⑨ BENCH S.L.D.
- ⑩ COURTYARD FENCE
- ⑪ NEW CURB RAMP
- ⑫ NEW CURB CUT
- ⑬ EXISTING CURB CUT TO REMAIN
- ⑭ EXISTING CURB CUT TO BE REMOVED
- ⑮ ELEVATORS
- ⑯ PAVERS
- ⑰ HORIZONTAL EXIT
- ⑱ GREEN ROOF NOT HABITABLE
- ⑲ NEW BULB OUT
- ⑳ PLAY STRUCTURE
- ㉑ FURNITURE BY OTHERS
- ㉒ RAISED PLANTERS
- ㉓ PV SOLAR ARRAY
- ㉔ SENIOR ROOF TERRACE LVL. 5
- ㉕ STL. & CABLE RAILING

LEGEND:

- COMMERCIAL / CHILD CARE
- RESIDENTIAL UNITS
- CIRCULATION & SUPPORT
- SERVICE

2 UNITS ADDED AT 4 STORY VOLUME ON FRONT

2 UNITS REMOVED FROM CORNER OF BROADWAY AND FRONT

3B REPLACED WITH 2B
1B REPLACED WITH STUDIO

5' STEP BACK

ALTERNATE SCHEME - 6TH FLOOR PLAN



88 BROADWAY / +735 DAVIS

LMSA





FRONT STREET--WEST ELEVATION

RED CEMENT SIDING REPLACED WITH THIN BRICK



BROADWAY--SOUTH ELEVATION

COLOR ARTICULATION AT SOUTH ELEVATION OF SENIOR BUILDING

ALTERNATE SCHEME - ELEVATION



ALTERNATE SCHEME



88 BROADWAY - WEST FACADE



88 BROADWAY - WEST ELEVATION ENLARGMENT



735 DAVIS - EAST ELEVATION ENLARGMENT

Attachment G: Comparison of City Investment in Other Housing Developments

Family Rental Housing Cost Comparison

Updated		1/9/2019				Building Square Footage			Total Project Costs						
PROJECTS COMPLETED															
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost ³	Const. Cost ⁴	Soft Cost	Total Dev. Cost w/land	Local Subsidy ⁵	Total Dev. Cost w/o land	Comments
Alice Griffith Phase 2	2700 Arellous Walk. Dr. - Bl.4	54,195	May-17	93	194	111,883	28,173	140,056	0	49,805,684	11,287,378	61,093,062	19,699,024	61,093,062	Type V over Type I Podium
Alice Griffith Phase 1	2600 Arellous Walker Dr. Bl. 2	53,924	Apr-17	91	192	110,238	28,554	138,792	0	49,200,989	11,250,803	60,451,792	19,601,371	60,451,792	Type V over Type I Podium
Hunters View Phase II - Bl 7 & 11	227-229 West Point Rd	82,703	May-17	107	239	117,023	23,857	140,880	0	57,845,566	9,272,003	67,117,569	19,737,243	67,117,569	Mixed Townhome stepping downslope and Type III-V over Type I flats w/pkg
Hunters View Phase II - Block 10	148 West Point Road	52,333	Jun-18	72	144	90,274	13,326	103,602	0	42,891,174	3,457,468	46,348,642	19,737,243	46,348,642	Type IIIA over Type I Podium 5 Stories + Parking, Community Hub and Childcare
Mission Bay Block 7 West	588 Mission Bay Blvd. N	43,560	Apr-17	200	328	210,000	5,035	215,035	0	70,460,883	14,094,767	84,555,650	19,975,000	84,555,650	Type V over Type I Podium
Booker T Washington	800 Presidio	8,000	Feb-18	50	52	40,340	20,700	61,040	3,323,000	29,128,938	6,019,350	38,471,288	9,026,304	35,148,288	Type V over Type I Pod. Total cost includes a Community Center of \$8.4MM
Transbay 7 - Natalie Gubb Comm	222 Beale Street	29,209	Oct-18	120	208	118,251	5,000	123,251	35,000	56,991,194	16,314,468	73,305,662	25,560,000	73,305,662	3 Buildings - Type I Podium, 4-8 stories (Pueblo structural system), plus Childcare shell
Completed Projects:	Average:	46,275		105	194	113,282	17,807	131,089	3,358,000	50,903,490	10,242,320	61,625,524	18,619,455	61,145,809	

PROJECTS UNDER CONSTRUCTION															
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost ³	Const. Cost ⁴	Soft Cost	Total Dev. Cost w/land	Local Subsidy ⁵	Total Dev. Cost w/o land	Comments
Mission Family Housing	1038 Mission	15,200	Jul-18	88	134	92,462	6,955	99,417	5,551,029	37,182,790	6,583,453	49,317,272	17,704,400	43,768,243	Type IB - 9 story
Mission Bay Bl 6 East	626 Mission Bay Blvd. North	63,250	Aug-18	143	276	162,080	9,719	171,799	148,125	74,599,328	15,222,907	89,970,360	35,750,000	89,822,235	Type IIIA & V over Type I podium, 41 pkg spaces, Mission Bay soils and infrastructure
Potrero Block X (Vertical Only)	25th and Connecticut	30,000	Dec-19	72	139	86,569	28,952	115,521	20,700	53,923,454	12,766,230	66,689,684	17,953,093	66,689,684	Type IIIA & V over Type I Podium (4-6 stories) stepped w/ topography, No infrast. Cost
Eddy and Taylor Family Housing	222 Taylor	22,344	Jun-19	113	211	108,440	21,086	129,526	9,300,000	52,187,291	14,837,459	76,324,750	23,052,146	67,024,750	Type IB - 8 story, extensive PG&E regional switch required
Sunnydale Parcel Q	1477-1497 Sunnydale Ave	21,757	Jun-20	55	102	75,101	0	75,101	0	33,327,716	10,072,197	43,399,913	9,652,147	43,399,913	Type IV - 5 Stories over grade podium parking
Under Construction:	Average:	30,510		94	172	104,930	13,342	118,273	15,019,854	50,244,116	11,896,449	65,144,536	20,770,357	62,140,565	

PROJECTS IN PREDEVELOPMENT															
Project Name	Address	Lot sq.ft	Start Date (anticipated)	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost ³	Const. Cost ⁴	Soft Cost	Total Dev. Cost w/land	Local Subsidy ⁵	Total Dev. Cost w/o land	Comments
Candlestick Point 10a	Ingerson & Earl	57,190	Jan-22	156	373	158,514	84,012	242,526	0	100,458,934	20,016,694	120,475,628	65,088,319	120,475,628	Type III over Type I podium incl. 85 parking spaces, 13,400sf retail
Candlestick Point S. 11a	Candlestick PK Dr. S. / Harnay W.	62,500	Aug-22	178	365	199,995	40,510	240,505	0	110,293,957	23,227,067	133,521,024	66,656,056	133,521,024	3-5 Stories of Type III and V over Type I incl. structured pkg & retail - design refinements
681 China Basin (MS South 6W)	681 China Basin St	49,437	Apr-19	152	284	178,560	7,086	185,646	0	92,038,980	27,807,082	119,846,062	47,361,690	119,846,062	Type III podium and Type V podium on mews wing, incl. 28 parking spaces, 4,640 sf child care space
735 Davis - Senior Housing	735 Davis	10,165	Apr-19	53	84	46,143	1,257	47,400	0	29,559,533	11,915,597	41,475,130	18,525,252	41,475,130	Type IIIA & V over Type I Podium (5-6 stories) - Senior
4840 Mission	4840 Mission	63,127	Jan-22	114	182	119,569	8,300	127,869	12,000,000	76,707,540	13,329,476	102,036,530	27,786,294	66,689,684	NO CURRENT COSTING DATA -Mixed type - Type VA (townhomes) and Type IIIA over Type I Podium
2060 Folsom Street	2060 Folsom	29,075	Dec-18	127	252	106,648	11,810	118,458	134,931	68,243,466	20,100,172	88,478,599	31,697,110	88,343,530	9 Story Type IB - TAY, Childcare, Community Hub w/AHSC Improvements of 36MM
Sunnydale Block 6	242 Hahn Street	95,213	Jun-19	167	375	150,235	93,486	243,721	0	114,263,566	25,196,171	139,459,736	37,772,083	139,459,736	2 buildings (6A & 6B) Type V over Type I podium and partial subgrade parking garage, moderate topo
1950 Mission Street	1950 Mission Street	36,590	Nov-18	157	262	113,432	48,142	161,574	9,775,000	90,718,767	15,171,496	115,665,263	44,945,740	105,890,283	Type IA - 9 stories with significant (30% of sf) art and PDR spaces and Paseo Des Artes
490 South Van Ness	490 S. Van Ness Avenue	14,250	Nov-18	81	121	51,839	28,985	80,824	18,500,000	47,200,237	13,393,811	79,094,048	28,892,030	60,594,048	Type IA - 7 stories over partial basement
Macro May	Treasure Island C3.2 Bl C3.A	32,203	Jan-21	105	138	84,000	39,837	123,837	108	114,837	15,000	138,837	18,899,941	138,837	Type IIIA over Type I Podium (3-6 stories), 20 Pkg spaces - T1 development weather resistant exterior
500 Turk Street	500 Turk Street	18,984	Sep-19	108	186	82,203	26,728	108,931	13,749,499	51,185,115	22,748,009	87,682,563	20,474,731	73,833,124	Type I 8 stories on constrained site
1054 Mission Street	1054 Mission Street	50,663	Apr-20	259	259	152,594	25,963	178,557	1	118,208,079	27,188,829	145,396,908	42,265,649	145,396,908	Type IIIA factory built over IA-2 Type I with 6,000sf social ent. & 20,000sf clinic + svcs (\$6.4MM)
43rd & Judah	SFUSD Francis Scott Key	60,000	Mar-21	129	189	94,690	23,804	118,494	0	60,260,622	12,479,898	72,740,520	25,469,902	72,740,520	Type V 4 stories on grade courtyard, 9% LHFC proposed
Mission Bay S. Block 9	410 China Basin Street	47,437	Mar-20	141	141	99,160	-	99,160	0	58,631,775	15,598,625	74,230,400	23,076,000	74,230,400	Type IIIA factory built
Mission Bay S. Block 3E	1150 Third Street	47,140	Oct-19	119	192	83,138	41,062	124,200	0	60,923,451	17,891,720	78,805,171	20,093,600	78,805,171	Type V over Type I podium strong articulation / ext. skin added due to D4D regims.
681 Florida	681 Florida Street	19,000	Jun-19	130	199	89,770	58,530	148,300	-	70,082,821	14,543,305	84,626,126	34,328,109	84,626,126	Type V over I. Based on 12/2016 Cahill Cost Estimate. New CE available 11/04/18.
Balboa Park Upper Yard	2340 San Jose Avenue	30,750	May-21	131	214	163,827	10,791	174,618	6,150,000	92,307,469	20,861,469	119,118,938	42,115,331	112,966,938	Type I, 9 stories, ground floor commercial, BART, with complex foundation
1990 Folsom Street	1990 Folsom	29,047	Feb-18	143	226	138,824	15,063	153,887	8,407,380	74,543,674	23,016,512	108,567,566	46,711,496	100,160,186	Mixed type - Type VA (townhomes) and 8 story Type I over Podium
In Predevelopment	Average:	41,821		136	223	120,080	30,910	150,989	#REF!	76,388,145	19,068,464	99,275,039	35,675,519	95,457,609	

ALL PROJECTS															
Average:		39,535		112	196	112,764	20,686	133,450	#REF!	59,178,583	13,735,744	75,348,366	25,021,777		

88 Broadway - Family Housing	88 Broadway	38,812	Apr-19	125	221	140,279	8,700	148,979	14,900,000	70,311,600	26,870,137	112,081,737	42,808,678	97,181,737	Type IIIA & V over Type I Podium (5-6 Stories)
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PROJECTS COMPLETED															
Project Name	Compl. Date	Acquisition by Unit/Bed/SF			Construction by Unit/Bed/SF			Soft Costs By Unit/Bed/SF			Total Development Cost (Incl. Land)		Subsidy		
		Acq/Unit	Acq/BR	Acq/lot sq.ft	Const/Unit	Const/BR	Const/sq.ft ⁶	Soft/Unit	Soft/BR	Soft/sq.ft ⁶	Gross TDC/Unit	Gross TDC/BR	Gross TDC/sq.ft ⁶	Subsidy /Unit	Leveraging ⁷
Alice Griffith Phase 2	May-17	-	-	-	535,545	256,730	356	121,370	58,182	81	656,915	314,913	436	211,817	67.8%
Alice Griffith Phase 1	Apr-17	-	-	-	540,670	256,255	354	123,635	58,598	81	664,305	314,853	436	215,400	67.6%
Hunters View Phase II - Bl 7 & 11	May-17	-	-	-	540,613	242,032	411	86,654	38,795	66	627,267	280,827	476	184,460	70.6%
Hunters View Phase II - Block 10	Jun-18	-	-	-	595,711	297,855	414	48,020	24,010	33	643,731	321,866	447	274,128	57.4%
Mission Bay Block 7 West	Apr-17	-	-	-	352,304	214,520	336	70,474	42,972	67	422,776	257,752	403	84,875	79.9%
Booker T Washington	Feb-18	66,460	63,904	415	592,579	569,172	477	129,367	75,757	90	769,426	738,833	630	180,528	76.5%
Natalie Gubb Commons (TB7)	Oct-18	292	168	1	474,927	273,986	462	135,054	75,435	132	611,172	352,599	595	213,000	65.1%
Completed Projects:	Average:	9,536	9,153	60	517,478	300,266	401	100,928	59,536	80	627,942	368,954	489	194,887	69%

PROJECTS UNDER CONSTRUCTION															
Project Name	Compl. Date	Acquisition			Construction			Soft Costs			Total Development Cost (Incl. Land)		Subsidy		
		Acq/Unit	Acq/BR	Acq/lot sq.ft	Const/Unit	Const/BR	Const/sq.ft ⁶	Soft/Unit	Soft/BR	Soft/sq.ft ⁶	Gross TDC/Unit	Gross TDC/BR	Gross TDC/sq.ft ⁶	Subsidy /Unit	Leveraging ⁷
Mission Family Housing	Jul-18	63,080	41,426	365	422,532	277,484	374	74,812	49,130	66	580,424	368,039	496	201,186	64.1%
Mission Bay SE	Aug-18	1,036	537	2	521,674	270,287	434	106,454	55,155	89	629,163	325,980	524	250,000	60.3%
Potrero Block X	Dec-19	288	149	1	748,937	387,939	467	177,309	91,843	111	926,533	479,931	577	245,737	73.5%
Eddy & Taylor Family Housing	Jun-19	82,301	44,076	416	461,834	247,333	403	131,305	70,320	115	675,440	361,729	589	204,001	69.8%
Sunnydale Parcel Q	Jun-20	-	-	-	605,958	326,742	444	183,131	98,747	134	789,089	425,489	578	175,494	77.8%
Under Construction:	Average:	29,341	17,237	157	552,187	301,957	424	134,602	73,039	103	716,130	392,234	553	215,284	69%

PROJECTS IN PREDEVELOPMENT															
Project Name	Start Date (anticipated)	Acquisition			Construction			Soft Costs			Total				

Family Rental Housing Cost Comparison

Updated 1/9/2019

PROJECTS COMPLETED						Building Square Footage			Total Project Costs							Comments
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost ³	Const. Cost ⁴	Soft Cost	Total Dev. Cost w/land	Local Subsidy ⁵	Total Dev. Cost w/o land		
Alice Griffith Phase 2	2700 Arellous Walk. Dr. - Bl.4	54,195	May-17	93	194	111,883	28,173	140,056	0	49,805,684	11,287,378	61,093,062	19,699,024	61,093,062	Type V over Type I Podium	
Alice Griffith Phase 1	2600 Arellous Walker Dr. Bl. 2	53,924	Apr-17	91	192	110,238	28,554	138,792	0	49,200,989	11,250,803	60,451,792	19,601,371	60,451,792	Type V over Type I Podium	
Hunters View Phase II - Bl 7 & 11	227-229 West Point Rd	82,703	May-17	107	239	117,023	23,857	140,880	0	57,845,566	9,272,003	67,117,569	19,737,243	67,117,569	Mixed Townhome stepping downslope and Type III-V over Type I flats w/pkg	
Hunters View Phase II - Block 10	140 West Point Road	52,333	Jun-18	72	144	90,274	13,326	103,602	0	42,891,174	3,457,468	46,348,642	19,737,243	46,348,642	Type IIIA over Type I Podium 5 Stories + Parking, Community Hub and Childcare	
Mission Bay Block 7 West	588 Mission Bay Blvd, N	43,560	Apr-17	200	328	204,965	5,035	210,000	0	70,460,883	14,094,767	84,555,650	16,975,000	84,555,650	Type V over Type I Podium	
Booker T Washington	800 Presidio	8,000	Feb-18	50	52	40,340	20,700	61,040	3,323,000	29,128,938	6,019,350	38,471,288	9,026,304	35,148,288	Type V over Type I Pod. Total cost includes a Community Center of \$8.4MM	
Transbay 7 - Natalie Gubb Comm	222 Beale Street	29,209	Oct-18	120	208	118,251	5,000	123,251	35,000	66,999,194	16,314,468	83,313,662	25,560,000	73,305,662	3 Buildings - Type I Podium, 4-8 stories (Pueblo structural system), plus Childcare shell	
Completed Projects:	Average:	46,275		105	194	113,282	17,807	131,089	3,358,000	50,903,490	10,242,320	61,625,524	18,619,455	61,145,809		

PROJECTS UNDER CONSTRUCTION						Building Square Footage			Total Project Costs							Comments
Project Name	Address	Lot sq.ft	Compl. Date	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost ³	Const. Cost ⁴	Soft Cost	Total Dev. Cost w/land	Local Subsidy ⁵	Total Dev. Cost w/o land		
Mission Family Housing	1036 Mission	15,200	Jul-18	88	134	92,462	6,955	99,417	5,551,029	37,182,790	6,583,453	49,317,272	17,704,400	43,768,243	Type IB - 9 story	
Mission Bay Bl 6 East	626 Mission Bay Blvd, North	63,250	Aug-18	143	276	162,080	9,719	171,799	148,125	74,599,328	15,222,907	89,970,360	35,750,000	89,822,235	Type IIIA & V over Type I podium, 41 pkg spaces, Mission Bay soils and infrastructure	
Potrero Block X (Vertical Only)	25th and Connecticut	30,000	Dec-19	72	139	86,569	28,952	115,521	20,700	53,923,454	12,766,230	66,710,384	17,993,093	66,689,684	Type IIIA & V over Type I Podium (4-6 stories) stepped w/ topography, No infrast. Cost	
Eddy and Taylor Family Housing	222 Taylor	22,344	Jun-19	113	211	108,440	21,086	129,526	9,300,000	52,187,291	14,837,459	76,324,750	23,052,146	67,024,750	Type IB - 8 story, extensive PG&E regional switch required	
Sunnydale Parcel Q	1477-1497 Sunnydale Ave	21,757	Jun-20	55	102	75,101	0	75,101	0	33,327,716	10,072,197	43,399,913	9,652,147	43,399,913	Type IV - 5 Stories over grade podium parking	
Under Construction:	Average:	30,510		94	172	104,930	13,342	118,273	15,019,854	50,244,116	11,896,449	65,144,536	20,770,357	62,140,565		

PROJECTS IN PREDEVELOPMENT						Building Square Footage			Total Project Costs							Comments
Project Name	Address	Lot sq.ft	Start Date (anticipated)	# of Units	# of BR ¹	Res. ²	Non-Res.	Total	Acq. Cost ³	Const. Cost ⁴	Soft Cost	Total Dev. Cost w/land	Local Subsidy ⁵	Total Dev. Cost w/o land		
88 Broadway - Family Housing	88 Broadway	38,812	Apr-19	125	221	140,279	8,700	148,979	14,900,000	70,311,600	26,870,137	112,081,737	42,808,676	97,181,737	Type IIIA & V over Type I Podium (5-6 stories)	
Candlestick Point 10a	Ingersoll & East	57,190	Jan-22	156	373	158,514	84,012	242,526	0	100,458,934	20,016,694	65,088,319	120,475,628	65,088,319	Type III over Type I podium incl. 85 parking spaces, 13,400sf retail	
Candlestick Point S, 11a	Candlestick Pt. Dr. S. / Harney W.	62,500	Aug-22	176	355	189,995	40,510	240,505	0	110,293,957	23,227,967	133,521,924	66,656,056	133,521,924	3-5 Stories of Type III and V over Type I incl. structured pkg & retail - design refinements	
691 China Basin (MIS South 6W)	691 China Basin St	49,437	Apr-19	152	294	178,050	7,096	185,146	0	92,035,980	27,507,082	119,543,062	47,361,660	119,543,062	Type III Podium and Type V podium on mezz wing, incl. 28 parking spaces, 4,640 sf child care space	
4840 Mission	4840 Mission	63,127	Jan-22	114	182	119,569	8,300	127,869	12,000,000	76,707,054	13,329,476	103,096,530	27,796,294	80,036,530	NO CURRENT COSTING DATA - Mixed type - Type VA (townhomes) and Type IIIA over Type I Podium	
2060 Folsom Street	2060 Folsom	29,075	Dec-18	127	252	155,648	11,810	167,458	134,931	68,243,486	20,100,172	88,478,589	31,697,110	88,343,658	9 Story Type IB - TAY, Childcare, Community Hub w/AHSC Improvements of 6EMM	
Sunnydale Block 6	242 Hahn Street	95,213	Jun-19	167	375	150,235	93,486	243,721	0	114,263,565	25,196,171	139,459,736	37,772,083	139,459,736	2 buildings (6A & 6B) Type V over Type I podium and partial subgrade parking garage, moderate topo	
1950 Mission Street	1950 Mission Street	36,590	Nov-18	157	262	113,432	48,142	161,574	9,775,000	90,718,787	15,171,496	115,665,283	44,945,740	105,890,283	Type IA - 9 stories with significant (30% of sf) art and PDR spaces and Paseo Des Artes	
490 South Van Ness	490 S. Van Ness Avenue	14,250	Nov-18	81	121	51,639	28,985	80,624	18,500,000	47,200,237	13,393,811	79,094,048	28,892,030	60,594,048	Type IA - 7 stories over partial basement	
Macao Bay	Treasure Island 3.2 Bl C3 A	32,203	Jan-21	105	138	84,000	39,837	123,837	114,837	65,300,000	18,656,423	78,033,437	18,899,941	78,033,437	Type IIIA over Type I Podium (3-6 stories), 20 Pkg spaces - T1 development weather resistant exterior	
500 Turk Street	500 Turk Street	18,984	Sep-19	108	186	82,203	26,728	108,931	13,749,409	51,195,115	22,748,009	87,682,563	20,474,731	73,933,124	Type I 8 stories on constrained site	
1054 Mission Street	1054 Mission Street	50,663	Apr-20	259	259	152,594	25,963	178,557	1	118,208,079	27,188,829	145,396,908	42,285,649	145,396,908	Type IIIA factory built over IA-2 Type I with 6,000sf social ent. & 20,000sf clinic + svcs (\$6.4MM)	
43rd Avenue & Judah	SFUSD Francis Scott Key	60,000	Mar-21	129	189	94,690	23,804	118,494	0	60,260,622	12,479,898	72,740,520	25,469,902	72,740,520	Type V 4 stories on grade courtyard, 9% LHFC proposed	
Mission Bay S, Block 9	410 China Basin Street	47,437	Mar-20	141	141	99,160	-	99,160	0	58,631,775	15,598,625	74,230,400	23,076,000	74,230,400	Type IIIA factory built	
Mission Bay S, Block 3E	1150 Third Street	47,140	Oct-19	119	192	83,138	41,062	124,200	0	60,823,451	17,891,720	78,605,171	20,093,600	78,605,171	Type V over Type I podium strong articulation / ext. skin added due to D4D regims.	
681 Florida	681 Florida Street	19,000	Jun-19	130	199	89,770	58,530	148,300	-	70,892,821	14,543,305	84,626,126	34,328,109	84,626,126	Type V over I, Based on 12/2016 Cahill Cost Estimate. New CE available 11/04/18.	
Balboa Park Upper Yard	2340 San Jose Avenue	30,750	May-21	131	214	163,827	10,791	174,618	6,150,000	92,307,469	20,661,469	119,118,938	42,115,331	112,986,938	Type I, 9 stories, ground floor commercial, BART, with complex foundation	
1990 Folsom Street	1990 Folsom	29,047	Feb-18	143	226	138,824	15,063	153,887	8,407,380	74,543,874	25,016,512	108,567,568	46,711,496	100,180,186	Mixed type - Type VA (townhomes) and 8 story Type I over Podium	
In Predevelopment	Average:	43,412		140	232	128,309	31,323	156,633	#REF!	78,652,148	19,899,272	103,197,629	37,024,598	98,552,420		

ALL PROJECTS	Average:	40,066		113	199	114,507	20,824	135,331	#REF!	59,933,251	14,012,680	76,655,896	25,471,470
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735 Davis - Senior Housing	735 Davis	10,165	Apr-19	53	54	46,143	1,287	47,400	0	29,559,533	11,915,597	41,475,130	18,525,252	41,475,130.0	Type IIIA & V over Type I Podium (5-6 Stories) - Senior
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PROJECTS COMPLETED		Acquisition by Unit/Bed/SF			Construction by Unit/Bed/SF			Soft Costs By Unit/Bed/SF			Total Development Cost (Incl. Land)		Subsidy		
Project Name	Compl. Date	Acq/unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/sq.ft ⁶	Soft/unit	Soft/BR	Soft/sq.ft ⁶	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft ⁶	Subsidy /unit	Leveraging ⁷
Alice Griffith Phase 2	May-17	-	-	-	535,545	256,730	356	121,370	58,182	81	656,915	314,913	436	211,817	67.8%
Alice Griffith Phase 1	Apr-17	-	-	-	540,670	256,255	354	123,635	58,598	81	664,305	314,853	436	215,400	67.6%
Hunters View Phase II - Bl 7 & 11	May-17	-	-	-	540,613	242,032	411	86,654	38,795	66	627,267	280,827	476	184,460	70.6%
Hunters View Phase II - Block 10	Jun-18	-	-	-	595,711	297,855	414	48,020	24,010	33	643,731	321,866	447	274,128	57.4%
Mission Bay Block 7 West	Apr-17	-	-	-	352,304	214,820	338	70,474	42,972	67	422,778	257,792	403	84,875	79.9%
Booker T Washington	Feb-18	66,460	63,904	415	582,579	560,172	477	120,387	115,757	89	789,426	739,632	630	180,526	76.5%
Natalie Gubb Commons (TBT)	Oct-18	292	168	1	474,827	273,996	462	70,454	78,435	132	611,172	352,698	696	213,000	65.1%
Completed Projects:	Average:	9,536	9,153	60	517,478	300,266	401	100,928	59,536	80	627,942	368,954	489	194,887	69%

PROJECTS UNDER CONSTRUCTION		Acquisition			Construction			Soft Costs			Total Development Cost (Incl. Land)		Subsidy		
Project Name	Compl. Date	Acq/unit	Acq/BR	Acq/lot sq.ft	Const/unit	Const/BR	Const/sq.ft ⁶	Soft/unit	Soft/BR	Soft/sq.ft ⁶	Gross TDC/unit	Gross TDC/BR	Gross TDC/sq.ft ⁶	Subsidy /unit	Leveraging ⁷
Mission Family Housing	Jul-18	63,080	41,426	365	422,532	277,484	374	74,812	49,130	66	580,424	368,038	496	201,186	64.1%
Mission Bay 3SE	Aug-18	1,036	537	2	521,674	270,287	434	106,454	55,155	89	628,163	325,980	524	250,000	60.3%
Potrero Block X	Dec-19	288	149	1	748,937	387,939	467	177,309	91,843	111	926,533	479,931	577	245,737	73.5%
Eddy & Taylor Family Housing	Jun-19	82,301	44,076	416	461,834	247,333	403	131,305	70,320	115	675,440	361,729	589	204,001	69.8%
Sunnydale Parcel Q	Jun-20	-	-	-	605,958	326,742	444	183,131	98,747	134	789,089	425,489	578	175,494	77.8%
Under Construction:	Average:	29,341	17,237	157	552,187	301,957	424	134,602	73,039	103	716,130	392,234	553	215,284	69%

PROJECTS IN PREDEVELOPMENT		Acquisition			Construction			Soft Costs			Total Development Cost (Incl. Land)		Subsidy	
Project Name	Start Date (anticipated)	Acq/unit												

Attachment H: Sources and Uses

Application Date: 1/18/19 # Units: 125
 Project Name: 88 Broadway Family # Bedrooms: 221
 Project Address: 88 Broadway # Beds:
 Project Sponsor: The John Stewart Company, Bridge Housing Corporation

SOURCES	27,908,676	36,770,970	1,140,000	19,815,000	5,159,495	1,887,596	4,500,000	Total Sources	97,181,737	Comments
Name of Sources:	MOHCD/OClI	Tax Credit Equity	AHP	Perm Loan	General Partner Equity	Commercial Space Mortgage	Deferred Developer Fee			

USES

ACQUISITION

Acquisition cost or value										0
Legal / Closing costs / Broker's Fee										0
Holding Costs										0
Transfer Tax										0
TOTAL ACQUISITION	0	0	0	0	0	0	0	0	0	0

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab	20,056,835	17,500,000	1,140,000	15,000,000				53,696,835		Includes Childcare Shell
Commercial Shell Construction	0					1,163,334		1,163,334		Retail Shell, excl. TIs
Demolition								0		
Environmental Remediation	500,000							500,000		
Onsite Improvements/Landscaping	0			2,248,732				2,248,732		
Offsite Improvements								0		
Infrastructure Improvements								0		HOPE SF/OClI costs for streets etc.
Parking								0		
GC Bond Premium/GC Insurance/GC Taxes	560,815					424,262		985,077		net retail
GC Overhead & Profit	297,877	1,742,153						2,040,030		net retail
CG General Conditions	1,858,162					300,000		2,158,162		net retail
<i>Sub-total Construction Costs</i>	<i>23,273,689</i>	<i>19,242,153</i>	<i>1,140,000</i>	<i>17,248,732</i>	<i>0</i>	<i>1,887,596</i>	<i>0</i>	<i>62,792,170</i>		
Design Contingency (remove at DD)								0		5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Bid Contingency (remove at bid)	3,038,363							3,038,363		5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Plan Check Contingency (remove/reduce during Plan Review)								0		4% up to \$30MM HC, 3% \$30-\$45MM, 2% \$45MM+
Hard Cost Construction Contingency	0	4,481,067						4,481,067		5% new construction / 15% rehab
<i>Sub-total Construction Contingencies</i>	<i>3,038,363</i>	<i>4,481,067</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>7,519,430</i>		
TOTAL CONSTRUCTION COSTS	26,312,052	23,723,220	1,140,000	17,248,732	0	1,887,596	0	70,311,600		

Construction line item costs as a % of hard costs
 1.7%
 3.5%
 3.7%
 0.0%
 5.3%
 0.0%
 7.8%

SOFT COSTS

Architecture & Design

Architect design fees	0	1,336,063						1,336,063		See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)	0	1,194,824						1,194,824		
Architect Construction Admin	0	577,200						577,200		17.7% of total arch. Contract
Reimbursables								0		
Additional Services	0	150,147						150,147		
<i>Sub-total Architect Contract</i>	<i>0</i>	<i>3,258,233</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>3,258,233</i>		
Other Third Party design consultants (not included under Architect contract)								0		Consultants not covered under architect contract; name consultant type and contract amount.
Total Architecture & Design	0	3,258,233	0	0	0	0	0	3,258,233		
Engineering & Environmental Studies										
Survey	0	17,100						17,100		
Geotechnical studies	0	109,900						109,900		
Phase I & II Reports	0	42,750						42,750		
CEQA / Environmental Review consultants	0	45,407						45,407		
NEPA / 106 Review	0	25,228						25,228		
CNA/PNA (rehab only)								0		
Other environmental consultants	0	311,820						311,820		Methane:79750; Transp:16850; Archa:11496; Histo:3162; Environ:5000; Test.&Insp:17562
Total Engineering & Environmental Studies	0	552,205	0	0	0	0	0	552,205		
Financing Costs										
Construction Financing Costs										
Construction Loan Origination Fee	0	344,707						344,707		
Construction Loan Interest	0	4,751,434						4,751,434		
Title & Recording	0	50,000						50,000		
CDLAC & CDIAC fees	0	33,561						33,561		
Bond Issuer Fees	358,304							358,304		
Other Bond Cost of Issuance	0	75,000						75,000		
Other Lender Costs (specify)								0		
<i>Sub-total Const. Financing Costs</i>	<i>358,305</i>	<i>5,254,702</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>5,613,007</i>		
Permanent Financing Costs										
Permanent Loan Origination Fee	0			99,075				99,075		
Credit Enhance. & Appl. Fee	0			45,000				45,000		
Title & Recording	0			20,000				20,000		
<i>Sub-total Perm. Financing Costs</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>164,075</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>164,075</i>		
Total Financing Costs	358,305	5,254,702	0	164,075	0	0	0	5,777,082		
Legal Costs										
Borrower Legal fees	0	40,000						40,000		
Land Use / CEQA Attorney fees	0	74,347						74,347		
Tax Credit Counsel	0	60,000						60,000		
Bond Counsel								0		
Construction Lender Counsel	0	207,500						207,500		
Permanent Lender Counsel	0	15,000						15,000		
Other Legal (specify)								0		
Total Legal Costs	0	396,847	0	0	0	0	0	396,847		
Other Development Costs										
Appraisal	0			10,000				10,000		
Market Study	0			16,500				16,500		
Insurance	0			947,281				947,281		
Property Taxes	0			15,000				15,000		
Accounting / Audit	0	35,000						35,000		
Organizational Costs	0	7,500						7,500		
Entitlement / Permit Fees	0	1,922,546						1,922,546		
Marketing / Rent-up	0	197,450						197,450		
Furnishings	0	175,000						175,000		\$2,000/unit: See MOHCD U/W Guidelines on: http://sfmohcd.org/documents-reports-and-forms
PGE / Utility Fees	0							0		
TCAC App / Alloc / Monitor Fees	0	88,267						88,267		
Financial Consultant fees	0	65,000						65,000		
Construction Management fees / Owner's Rep	0			199,512				199,512		
Security during Construction								0		
Relocation								0		
Cost Certification	0	15,000						15,000		
Other (specify)								0		
Other (specify)								0		
Total Other Development Costs	0	2,505,763	0	1,188,293	0	0	0	3,694,056		
Soft Cost Contingency										
Contingency (Arch, Eng, Fin, Legal & Other Dev)	158,320			593,803				752,123		Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	516,624	11,967,750	0	1,946,171	0	0	0	14,430,545		5.5%

RESERVES

Operating Reserves	0			620,097				620,097		3 months of operating
Replacement Reserves								0		
Tenant Improvements Reserves								0		
Other (specify)								0		
Other (specify)								0		
Other (specify)								0		
TOTAL RESERVES	0	0	0	620,097	0	0	0	620,097		

DEVELOPER COSTS

Developer Fee - Cash-out Paid at Milestones	1,080,000							1,080,000	
Developer Fee - Cash-out At Risk		1,080,000						1,080,000	
Developer Fee - GP Equity (also show as source)					5,159,495			5,159,495	
Developer Fee - Deferred (also show as source)							4,500,000	4,500,000	
Development Consultant Fees								0	
Other (specify)								0	
TOTAL DEVELOPER COSTS	1,080,000	1,080,000	0	0	5,159,495	0	4,500,000	11,819,495	

TOTAL DEVELOPMENT COST

	27,908,676	36,770,970	1,140,000	19,815,000	5,159,495	1,887,596	4,500,000	97,181,737	deferred MOHCD Interest
Development Cost/Unit by Source	223,269	294,168	9,120	158,520	41,276	15,101	36,000	777,454	
Development Cost/Unit as % of TDC by Source	28.7%	37.8%	1.2%	20.4%	5.3%	1.9%	4.6%	100.0%	

Acquisition Cost/Unit by Source

	0	0	0	0	0	0	0	0	0
Construction Cost (inc Const Contingency)/Unit By Source	210,496	189,786	9,120	137,990	0	15,101	0	562,493	
Construction Cost (inc Const Contingency)/SF	176.62	159.24	7.65	115.78	0.00	12.67	0.00	471.96	

City Subsidy/Unit 223,269

Tax Credit Equity Pricing:	1.05
Construction Bond Amount:	53,031,905
Construction Loan Term (in months):	30 months
Construction Loan Interest Rate (as %):	5.25%

Application Date: 1/18/19 # Units: 53
Project Name: 735 Davis Senior # Bedrooms:
Project Address: 735 Davis # Beds:
Project Sponsor: The John Stewart Company, Bridge Housing Corporation

LOSP Project

Table with columns: SOURCES, 18,525,959, 16,925,550, 520,000, -, 3,944,770, 558,851, -, 40,475,130, Comments

USES

Table with columns: Name of Sources, MOHCD/OClI, Tax Credit Equity, AHP, Perm Loan, General Partner Equity, Commercial Space Mortgage, Deferred Developer Fee

ACQUISITION

Table with columns: Acquisition cost or value, Legal / Closing costs / Broker's Fee, Holding Costs, Transfer Tax, TOTAL ACQUISITION

CONSTRUCTION (HARD COSTS)

Table with columns: Unit Construction/Rehab, Commercial Shell Construction, Demolition, Environmental Remediation, Onsite Improvements/Landscaping, Offsite Improvements, Infrastructure Improvements, Parking, GC Bond Premium/GC Insurance/GC Taxes, GC Overhead & Profit, CG General Conditions, Design Contingency, Bid Contingency, Plan Check Contingency, Hard Cost Construction Contingency, TOTAL CONSTRUCTION COSTS

Construction line item costs as a % of hard costs: 1.7%, 3.5%, 3.4%, 0.0%, 5.2%, 0.0%, 7.8%

SOFT COSTS

Table with columns: Architecture & Design, Engineering & Environmental Studies, Financing Costs, Legal Costs, Other Development Costs, Soft Cost Contingency

Total Soft Cost Contingency as % of Total Soft Costs: 5.2%

RESERVES

Table with columns: Operating Reserves, Replacement Reserves, Tenant Improvements Reserves, Other (specify), Other (specify), TOTAL RESERVES

DEVELOPER COSTS

Table with columns: Developer Fee - Cash-out Paid at Milestones, Developer Fee - Cash-out At Risk, Developer Fee - GP Equity (also show as source), Developer Fee - Deferred (also show as source), Development Consultant Fees, Other (specify), TOTAL DEVELOPER COSTS

Table with columns: TOTAL DEVELOPMENT COST, Acquisition Cost/Unit by Source, Construction Cost (inc Const Contingency)/Unit By Source, Construction Cost (inc Const Contingency)/SF, City Subsidy/Unit, Tax Credit Equity Pricing, Construction Bond Amount, Construction Loan Term (in months), Construction Loan Interest Rate (as %)

Attachment I: Development Budget

Application Date: 1/18/19 # Units: 125
 Project Name: 88 Broadway Family # Bedrooms: 221
 Project Address: 88 Broadway # Beds:
 Project Sponsor: The John Stewart Company, Bridge Housing Corporation

SOURCES	Total Sources					Comments
	1,500,000	2,300,000	24,108,676	1,140,000	1,972,063	
	MOHCD Predev Loan 1 Request	MOHCD Predev Loan 2 Request	MOHCD Gap (New Funds)	MOHCD AHP Bridge	MOHCD Commercial Space Bridge	

USES

ACQUISITION							
Acquisition cost or value							0
Legal / Closing costs / Broker's Fee							0
Holding Costs							0
Transfer Tax							0
TOTAL ACQUISITION	0	0	0	0	0	0	0

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab			16,256,835	1,140,000		17,396,835	Include FF&E
Commercial Shell Construction			0		1,972,063	1,972,063	
Demolition			0			0	
Environmental Remediation			500,000			500,000	
Onsite Improvements/Landscaping			0			0	
Offsite Improvements			0			0	
Infrastructure Improvements			0			0	HOPE SF/OCII costs for streets etc.
Parking			0			0	
GC Bond Premium/GC Insurance/GC Taxes			560,815			560,815	2.8%
GC Overhead & Profit			297,877			297,877	1.5%
CG General Conditions			1,858,162			1,858,162	9.4%
<i>Sub-total Construction Costs</i>	<i>0</i>	<i>0</i>	<i>19,473,689</i>	<i>1,140,000</i>	<i>1,972,063</i>	<i>22,585,752</i>	
Design Contingency (remove at DD)			0			0	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Bid Contingency (remove at bid)			3,038,363			3,038,363	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Plan Check Contingency (remove/reduce during Plan Review)			0			0	4% up to \$30MM HC, 3% \$30-\$45MM, 2% \$45MM+
Hard Cost Construction Contingency			0			0	5% new construction / 15% rehab
<i>Sub-total Construction Contingencies</i>	<i>0</i>	<i>0</i>	<i>3,038,363</i>	<i>0</i>	<i>0</i>	<i>3,038,363</i>	
TOTAL CONSTRUCTION COSTS	0	0	22,512,052	1,140,000	1,972,063	25,624,115	

SOFT COSTS

Architecture & Design							
Architect design fees		754,357	1,236,410	0		1,990,767	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)				0		0	
Architect Construction Admin				0		0	
Reimbursables			13,184	0		13,184	
Additional Services			87,863	0		87,863	Add Service Requests 1-3 - THD; Sidewalk Leg, etc
<i>Sub-total Architect Contract</i>	<i>0</i>	<i>754,357</i>	<i>1,337,457</i>	<i>0</i>	<i>0</i>	<i>2,091,814</i>	
Other Third Party design consultants (not included under Architect contract)		25,000	0	0		25,000	Consultants not covered under architect contract; name consultant type and contract amount
Total Architecture & Design	0	779,357	1,337,457	0	0	2,116,814	
Engineering & Environmental Studies							
Survey		29,000	12,000	0		41,000	
Geotechnical studies		35,000	5,000	0		40,000	
Phase I & II Reports		34,643	0	0		34,643	
CEQA / Environmental Review consultants			992	0		992	
NEPA / 106 Review			0	0		0	
CNA/PNA (rehab only)			0	0		0	
Other environmental consultants			32,437	0		32,437	GPR:\$4385; Archeolog:\$2652; Transp:\$401; Methane: \$25000
Total Engineering & Environmental Studies	0	98,643	50,429	0	0	149,072	
Financing Costs							
Construction Financing Costs							
Construction Loan Origination Fee				0		0	
Construction Loan Interest				0		0	
Title & Recording				0		0	
CDLAC & CDIAC fees				0		0	
Bond Issuer Fees			358,304	0		358,304	
Other Bond Cost of Issuance			0	0		0	
Developer Interest on Invested Capital			0	0		0	
<i>Sub-total Const. Financing Costs</i>	<i>0</i>	<i>0</i>	<i>358,305</i>	<i>0</i>	<i>0</i>	<i>358,305</i>	
Permanent Financing Costs							
Permanent Loan Origination Fee				0		0	
Credit Enhance. & Appl. Fee				0		0	
Title & Recording				0		0	
<i>Sub-total Perm. Financing Costs</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	
Total Financing Costs	0	0	358,305	0	0	358,305	
Legal Costs							
Borrower Legal fees		20,000		0		20,000	
Land Use / CEQA Attorney fees			28,512	0		28,512	
Tax Credit Counsel			60,000	0		60,000	
Bond Counsel			0	0		0	
Construction Lender Counsel		30,000	149,913	0		179,913	
Permanent Lender Counsel			0	0		0	
Total Legal Costs	0	50,000	238,425	0	0	288,425	
Other Development Costs							
Appraisal		10,000	10,000	0		20,000	
Market Study		10,000	7,455	0		17,455	
Insurance			0	0		0	
Property Taxes			0	0		0	
Accounting / Audit			0	0		0	
Organizational Costs			0	0		0	
Entitlement / Permit Fees		35,000	360,000	0		395,000	
Marketing / Rent-up			0	0		0	
Furnishings			0	0		0	
PGE / Utility Fees			0	0		0	
TCAC App / Alloc / Monitor Fees		2,000	2,000	0		4,000	
Financial Consultant fees			0	0		0	
Construction Management fees / Owner's Rep		15,000	0	0		15,000	
Security during Construction			0	0		0	
Relocation			0	0		0	
Total Other Development Costs	0	72,000	379,455	0	0	451,455	
Soft Cost Contingency							
Contingency (Arch, Eng, Fin, Legal & Other Dev)		0	294,234	158,320	0	452,554	Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	0	1,000,000	2,300,000	516,624	0	3,816,624	

RESERVES

Operating Reserves				0		0	
Replacement Reserves				0		0	
Tenant Improvements Reserves				0		0	
Other (specify)				0		0	
Other (specify)				0		0	
Other (specify)				0		0	
TOTAL RESERVES	0	0	0	0	0	0	

DEVELOPER COSTS

Developer Fee - Cash-out Paid at Milestones		500,000		1,080,000		1,580,000	
Developer Fee - Cash-out At Risk				0		0	
Developer Fee - GP Equity (also show as source)				0		0	
Developer Fee - Deferred (also show as source)				0		0	
Development Consultant Fees				0		0	Need MOHCD approval for this cost, N/A for most projects
Other (specify)				0		0	
TOTAL DEVELOPER COSTS	0	500,000	0	1,080,000	0	1,580,000	

TOTAL DEVELOPMENT COST

Development Cost/Unit by Source		0	1,500,000	2,300,000	24,108,676	1,140,000	1,972,063	31,020,739
Development Cost/Unit as % of TDC by Source		0.0%	4.8%	7.4%	77.7%	3.7%	6.4%	100.0%

Acquisition Cost/Unit by Source		0	0	0	0	0	0	0
Construction Cost (inc Const Contingency)/Unit By Source		0	0	0	180,096	9,120	15,777	204,993
Construction Cost (inc Const Contingency)/SF		0.00	0.00	0.00	151.11	7.65	13.24	172.00

City Subsidy/Unit

Tax Credit Equity Pricing:	1.05
Construction Bond Amount:	53,031,905.00
Construction Loan Term (in months):	30.00
Construction Loan Interest Rate (as %):	5.00%

Application Date: 1/18/19 # Units: 53
 Project Name: 735 Davis Senior # Bedrooms: 65
 Project Address: 735 Davis # Beds:
 Project Sponsor: The John Stewart Company, Bridge Housing Corporation LOSP Project

SOURCES	-	1,500,000	700,000	16,325,959	520,000	537,598	Total Sources	Comments
		MOHCD/OCII Predev Loan 1 Request	MOHCD/OCII Predev Loan 2 Request	MOHCD Gap (New Funds)	MOHCD AHP Bridge	MOHCD Commercial Space Bridge	19,583,557	

USES

ACQUISITION

Name of Sources:	MOHCD/OCII							
Acquisition cost or value							0	
Legal / Closing costs / Broker's Fee							0	
Holding Costs							0	
Transfer Tax							0	
TOTAL ACQUISITION	0	0	0	0	0	0	0	

CONSTRUCTION (HARD COSTS)

Unit Construction/Rehab				7,917,558	520,000	537,598	8,975,156	Include FF&E
Commercial Shell Construction				0			0	
Demolition				0			0	
Environmental Remediation				150,000			150,000	
Onsite Improvements/Landscaping				491,956			491,956	
Offsite Improvements				0			0	
Infrastructure Improvements				0			0	HOPE SF/OCII costs for streets etc.
Parking				0			0	
GC Bond Premium/GC Insurance/GC Taxes				400,905			400,905	4.2%
GC Overhead & Profit				830,249			830,249	8.6%
CG General Conditions				798,224			798,224	8.3%
<i>Sub-total Construction Costs</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>10,586,893</i>	<i>520,000</i>	<i>537,598</i>	<i>11,646,491</i>	
Design Contingency (remove at DD)				0			0	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Bid Contingency (remove at bid)				868,198			868,198	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+
Plan Check Contingency (remove/reduce during Plan Review)				0			0	4% up to \$30MM HC, 3% \$30-\$45MM, 2% \$45MM+
Hard Cost Construction Contingency				1,823,592			1,823,592	5% new construction / 15% rehab
<i>Sub-total Construction Contingencies</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>2,691,790</i>	<i>0</i>	<i>0</i>	<i>2,691,790</i>	19.0%
TOTAL CONSTRUCTION COSTS	0	0	0	13,280,682	520,000	537,598	14,338,280	

SOFT COSTS

Architecture & Design

Architect design fees		754,357	27,174	673,168			1,454,699	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)				529,328			529,328	
Architect Construction Admin				310,800			310,800	
Reimbursables			14,429	0			14,429	
Additional Services			14,367	60,344			74,711	Add Service Requests 1-3 - THD; Sidewalk Leg, etc
<i>Sub-total Architect Contract</i>	<i>0</i>	<i>754,357</i>	<i>55,970</i>	<i>1,573,640</i>	<i>0</i>	<i>0</i>	<i>2,383,967</i>	
Other Third Party design consultants (not included under Architect contract)		25,000		0			25,000	Consultants not covered under architect contract; name consultant type and contract amount
Total Architecture & Design	0	779,357	55,970	1,573,640	0	0	2,408,967	

Engineering & Environmental Studies

Survey		29,000	12,000	0			41,000	
Geotechnical studies		35,000	5,000	0			40,000	
Phase I & II Reports		34,643	0	0			34,643	
CEQA / Environmental Review consultants			0	0			0	
NEPA / 106 Review			0	0			0	
CNA/PNA (rehab only)			0	0			0	
Other environmental consultants			32,394	0			32,394	GPR:\$4385; Archeolog:\$2652; Transp:\$401; Methane: \$25000
Total Engineering & Environmental Studies	0	98,643	49,394	0	0	0	148,037	

Financing Costs

Construction Financing Costs								
Construction Loan Origination Fee				0			0	
Construction Loan Interest				0			0	
Title & Recording				0			0	
CDLAC & CDIAC fees				0			0	
Bond Issuer Fees				0			0	
Other Bond Cost of Issuance				0			0	
Developer Interest on Invested Capital				0			0	
<i>Sub-total Const. Financing Costs</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	
Permanent Financing Costs								
Permanent Loan Origination Fee				0			0	
Credit Enhance. & Appl. Fee				45,000			45,000	
Title & Recording				0			0	
<i>Sub-total Perm. Financing Costs</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>45,000</i>	<i>0</i>	<i>0</i>	<i>45,000</i>	
Total Financing Costs	0	0	0	45,000	0	0	45,000	

Legal Costs

Borrower Legal fees		20,000		40,000			60,000	
Land Use / CEQA Attorney fees			73,217	31,863			105,080	
Tax Credit Counsel			60,000	60,000			120,000	
Bond Counsel				0			0	
Construction Lender Counsel		30,000	127,074	122,500			279,574	
Permanent Lender Counsel				15,000			15,000	
Total Legal Costs	0	50,000	260,291	269,363	0	0	579,654	

Other Development Costs

Appraisal		10,000	10,000	0			20,000	
Market Study		10,000	7,480	10,000			27,480	
Insurance				0			0	
Property Taxes				0			0	
Accounting / Audit				0			0	
Organizational Costs				0			0	
Entitlement / Permit Fees		35,000	160,000	0			195,000	
Marketing / Rent-up				0			0	
Furnishings				0			0	
PGE / Utility Fees				0			0	
TCAC App / Alloc / Monitor Fees		2,000	2,000	0			4,000	
Financial Consultant fees				0			0	
Construction Management fees / Owner's Rep		15,000		0			15,000	
Security during Construction				0			0	
Relocation				0			0	
Total Other Development Costs	0	72,000	179,480	10,000	0	0	261,480	

Soft Cost Contingency

Contingency (Arch, Eng, Fin, Legal & Other Dev)		0	154,865	147,274	0	0	302,139	Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	0	1,000,000	700,000	2,045,277	0	0	3,745,277	8.8%

RESERVES

Operating Reserves				0			0	
Replacement Reserves				0			0	
Tenant Improvements Reserves				0			0	
Other (specify)				0			0	
Other (specify)				0			0	
Other (specify)				0			0	
TOTAL RESERVES	0	0	0	0	0	0	0	

DEVELOPER COSTS

Developer Fee - Cash-out Paid at Milestones		500,000		500,000			1,000,000	
Developer Fee - Cash-out At Risk				500,000			500,000	
Developer Fee - GP Equity (also show as source)				0			0	
Developer Fee - Deferred (also show as source)				0			0	
Development Consultant Fees				0			0	Need MOHCD approval for this cost, N/A for most projects
Other (specify)				0			0	
TOTAL DEVELOPER COSTS	0	500,000	0	1,000,000	0	0	1,500,000	

TOTAL DEVELOPMENT COST

Development Cost/Unit by Source		0	1,500,000	700,000	16,325,959	520,000	537,598	19,583,557
Development Cost/Unit as % of TDC by Source		0.0%	7.7%	3.6%	83.4%	2.7%	2.7%	100.0%

Acquisition Cost/Unit by Source

	0	0	0	0	0	0	0	0
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Construction Cost (inc Const Contingency)/Unit By Source

	0	0	0	250,579	9,811	10,143	270,534	
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Construction Cost (inc Const Contingency)/SF

	0.00	0.00	0.00	292.55	11.45	11.84	315.85	
--	------	------	------	--------	-------	-------	--------	--

City Subsidy/Unit

	-
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Tax Credit Equity Pricing:

	1.05
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Construction Bond Amount:

	21,885,000.00
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Construction Loan Term (in months):

	30.00
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Construction Loan Interest Rate (as %):

	0.05
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Attachment J: 1st Year Operating Budget

Application Date: 1/18/2019 Project Name: 88 Broadway Family
 Total # Units: 125 Project Address: 88 Broadway
 First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2021 Project Sponsor: The John Stewart Company, Bridge Housing Corporation

INCOME	Total	Comments
Residential - Tenant Rents	1,972,404	Links from 'New Proj - Rent & Unit Mix' Worksheet
Residential - Tenant Assistance Payments (Non-LOSP)	828,228	Links from 'New Proj - Rent & Unit Mix' Worksheet
Commercial Space	0	0%
Residential Parking	0	Links from 'Utilities & Other Income' Worksheet
Miscellaneous Rent Income	0	Links from 'Utilities & Other Income' Worksheet
Supportive Services Income	0	
Interest Income - Project Operations	0	Links from 'Utilities & Other Income' Worksheet
Laundry and Vending	13,500	Links from 'Utilities & Other Income' Worksheet
Tenant Charges	0	Links from 'Utilities & Other Income' Worksheet
Miscellaneous Residential Income	0	Links from 'Utilities & Other Income' Worksheet
Other Commercial Income	0	Links from 'Commercial Op. Budget' Worksheet
Withdrawal from Capitalized Reserve (deposit to operating account)		
Gross Potential Income	2,814,132	
Vacancy Loss - Residential - Tenant Rents	(98,620)	Vacancy loss is 5% of Tenant Rents.
Vacancy Loss - Residential - Tenant Assistance Payments	(41,411)	Vacancy loss is 5% of Tenant Assistance Payments.
Vacancy Loss - Commercial	0	Links from 'Commercial Op. Budget' Worksheet
EFFECTIVE GROSS INCOME	2,674,100	PUPA: 21,393

OPERATING EXPENSES

Management		
Management Fee	97,500	\$65 per unit per month
Asset Management Fee	19,080	4/1/2016 MOHCD Operating Fees Policy - Assumes 2016 Max Fee
Sub-total Management Expenses	116,580	PUPA: 933
Salaries/Benefits		
Office Salaries	93,046	13.2 FTEs across both projects. (4.0 Office FTEs, 4.0 Maintenance FTEs, 3 Desk Clerks)
Manager's Salary	55,510	
Health Insurance and Other Benefits	42,526	Life, dental, health for staff allocated to this property. Prorated split w/735 Davis.
Other Salaries/Benefits	5,254	Payroll Processing
Administrative Rent-Free Unit		
Sub-total Salaries/Benefits	196,336	PUPA: 1,571
Administration		
Advertising and Marketing	4,200	
Office Expenses	9,600	
Office Rent		
Legal Expense - Property	6,000	
Audit Expense	9,840	
Bookkeeping/Accounting Services	18,750	
Bad Debts		
Miscellaneous	31,800	Telephone/answering; Seminars/training; Computer
Sub-total Administration Expenses	80,190	PUPA: 642
Utilities		
Electricity	52,500	
Water	45,000	
Gas	31,200	
Sewer	67,500	
Sub-total Utilities	196,200	PUPA: 1,570
Taxes and Licenses		
Real Estate Taxes	60,256	
Payroll Taxes	28,388	
Miscellaneous Taxes, Licenses and Permits	3,600	
Sub-total Taxes and Licenses	92,244	PUPA: 738
Insurance		
Property and Liability Insurance	140,000	
Fidelity Bond Insurance	420	
Worker's Compensation	11,844	
Director's & Officers' Liability Insurance		
Sub-total Insurance	152,264	PUPA: 1,218
Maintenance & Repair		
Payroll	118,844	Maintenance and Janitor
Supplies	2,400	
Contracts	53,190	Maintenance, Landscape, Elevator
Garbage and Trash Removal	45,000	
Security Payroll/Contract		
HVAC Repairs and Maintenance		
Vehicle and Maintenance Equipment Operation and Repairs		
Miscellaneous Operating and Maintenance Expenses	41,220	Incl. fire prtctn, pest, lndscp, plmbng, elect, wndw/glass, paint/unifrms, tmovr supplies.
Sub-total Maintenance & Repair Expenses	260,654	PUPA: 2,085
Supportive Services	104,595	
Commercial Expenses	0	Links from 'Commercial Op. Budget' Worksheet
TOTAL OPERATING EXPENSES	1,199,063	PUPA: 9,593

Reserves/Ground Lease Base Rent/Bond Fees

Ground Lease Base Rent	20,000	Ground lease with SF Port
Bond Monitoring Fee	26,579	Annual Issuer Fee, Other Annual Fees for Series A&B perm loans
Replacement Reserve Deposit	50,000	
Operating Reserve Deposit		
Other Required Reserve 1 Deposit		
Other Required Reserve 2 Deposit		
Required Reserve Deposits, Commercial	0	Links from 'Commercial Op. Budget' Worksheet
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	96,579	PUPA: 773

TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)	1,295,642	PUPA: 10,365	Min DSCR: 1.09 Mortgage Rate: 5.00%
NET OPERATING INCOME (INCOME minus OP EXPENSES)	1,378,459	PUPA: 11,028	Term (Years): 30 Supportable 1st Mortgage Pmt: 1,264,641 Supportable 1st Mortgage Amt: \$19,631,612 Proposed 1st Mortgage Amt: \$19,815,000

DEBT SERVICE/MUST PAY PAYMENTS (hard debt/amortized loans)

Hard Debt - First Lender	1,184,748	Permanent Loan	Provide additional comments here, if needed.
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Len)	0		Provide additional comments here, if needed.
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0		Provide additional comments here, if needed.
Hard Debt - Fourth Lender	0		Provide additional comments here, if needed.
Commercial Hard Debt Service	0	Links from 'Commercial Op. Budget' Worksheet	
TOTAL HARD DEBT SERVICE	1,184,748	PUPA: 9,478	

CASH FLOW (NOI minus DEBT SERVICE)

CASH FLOW (NOI minus DEBT SERVICE)	193,711	
USES OF CASH FLOW BELOW (This row also shows DSCR.)	1.16	

USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL

"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)		
Partnership Management Fee (see policy for limits)	23,230	1st
Investor Services Fee (aka "LP Asset Mgt Fee") (see policy for limits)	5,000	2nd
Other Payments		
Non-amortizing Loan Pmt - Lender 1 (select lender in comments field)		Provide additional comments here, if needed.
Non-amortizing Loan Pmt - Lender 2 (select lender in comments field)		Provide additional comments here, if needed.
Deferred Developer Fee (Enter amt => Max Fee from cell H130)	82,740	Def. Develop. Fee split: 50% Please See CHPC Projections; Dev Fee Analysis
TOTAL PAYMENTS PRECEDING MOHCD	110,970	PUPA: 888

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)	82,741	
Residual Receipts Calculation		
Does Project have a MOHCD Residual Receipt Obligation?	Yes	Project has MOHCD ground lease? No
Will Project Defer Developer Fee?	Yes	
Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1:	50%	Max Deferred Developer Fee Amt (Use for data entry above. Do not link.): 82,740
% of Residual Receipts available for distribution to soft debt lenders in	50%	

Soft Debt Lenders with Residual Receipts Obligations	(Select lender name/program from drop down)	Total Principal Amt	Distrib. of Soft Debt Loans
MOHCD/OCII - Soft Debt Loans	All MOHCD/OCII Loans payable from res. recpts	\$27,908,676	100.00%
MOHCD/OCII - Ground Lease Value	Ground Lease		0.00%
HCD (soft debt loan) - Lender 3			0.00%
Other Soft Debt Lender - Lender 4			0.00%
Other Soft Debt Lender - Lender 5			0.00%

MOHCD RESIDUAL RECEIPTS DEBT SERVICE

MOHCD Residual Receipts Amount Due	82,741	50% of residual receipts, multiplied by 100% -- MOHCD's pro rata share of all soft debt
Proposed MOHCD Residual Receipts Amount to Loan Repayment	82,741	Enter/override amount of residual receipts proposed for loan repayment
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	0	If applicable, MOHCD residual receipts amt due LESS amt proposed for loan repmt.

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE

REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE	0	
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE		
HCD Residual Receipts Amount Due	0	
Lender 4 Residual Receipts Due	0	
Lender 5 Residual Receipts Due	0	
Total Non-MOHCD Residual Receipts Debt Service	0	
REMAINDER (Should be zero unless there are distributions below)		
Owner Distributions/Incentive Management Fee	0	
Other Distributions/Uses	0	
Final Balance (should be zero)	0	

Application Date: 0%
 Total # Units: 53
 First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations): 2021

LOSP Units		Non-LOSP Units	
15	38		

Project Name: 735 Davis Senior
 Project Address: 735 Davis
 The John Stewart Company, Bridge Housing Corporation
 Project Sponsor:

Correct errors noted in Col N!

INCOME	LOSP/non-LOSP Allocation		Total	Comments
	LOSP	non-LOSP		
Residential - Tenant Rents	36,000	463,416	499,416	Links from 'New Proj - Rent & Unit Mix Worksheet'
Residential - Tenant Assistance Payments (Non-LOSP)	0	0	0	Links from 'New Proj - Rent & Unit Mix Worksheet'
Residential - LOSP Tenant Assistance Payments	250,963	0	250,963	
Commercial Space	0	0	0	0%
Residential Parking	0	0	0	Links from 'Utilities & Other Income Worksheet'
Miscellaneous Rent Income	0	125,000	125,000	Links from 'Utilities & Other Income Worksheet'
Supportive Services Income	0	0	0	Includes (15) LOSP and (13) Non-LOSP 30% AMI City Subsidy units
Interest Income - Project Operations	0	0	0	Links from 'Utilities & Other Income Worksheet'
Laundry and Vending	1,683	4,121	5,804	Links from 'Utilities & Other Income Worksheet'
Tenant Charges	0	0	0	Links from 'Utilities & Other Income Worksheet'
Miscellaneous Residential Income	0	0	0	Links from 'Utilities & Other Income Worksheet'
Other Commercial Income	0	0	0	Links from 'Commercial Op. Budget Worksheet'
Withdrawal from Capitalized Reserve (deposit to operating account)	0	0	0	
Gross Potential Income	288,465	592,537	881,003	
Vacancy Loss - Residential - Tenant Rents	(1,800)	(23,171)	(24,971)	Vacancy loss is 5% of Tenant Rents.
Vacancy Loss - Residential - Tenant Assistance Payments	(2,900)	0	(2,900)	NDVW
Vacancy Loss - Commercial	0	0	0	Links from 'Commercial Op. Budget Worksheet'
EFFECTIVE GROSS INCOME	283,663	569,366	853,050	PUPA: 16,095

OPERATING EXPENSES				
Management				
Management Fee	11,575	29,765	41,340	\$65 per unit per month
Asset Management Fee	5,342	13,738	19,080	4/1/2016 MOHCD Operating Fees Policy - Assumes 2016 Max Fee
Sub-total Management Expenses	16,918	43,502	60,420	PUPA: 1,140

Office Salaries	13,026	33,497	46,523	13.2 FTEs across both projects (4.0 Office FTEs, 4.0 Maintenance FTEs, 3 Desk Manager's Salary)
Health Insurance and Other Benefits	11,474	29,505	40,980	Life, dental, health for staff allocated to this property. Prorated split w/88 Broadway.
Other Salaries/Benefits	1,326	4,416	4,744	
Administrative Rent-Free Unit	0	0	0	
Sub-total Salaries/Benefits	31,010	79,740	110,750	PUPA: 2,090

Advertising and Marketing	672	1,728	2,400	
Office Expenses	1,512	3,888	5,400	
Office Rent	0	0	0	
Legal Expense - Property	672	1,728	2,400	
Audit Expense	2,755	7,065	9,840	
Bookkeeping/Accounting Services	2,226	5,724	7,950	
Rent Debt	0	0	0	
Miscellaneous	4,368	11,232	15,600	
Sub-total Administration Expenses	12,205	31,385	43,590	PUPA: 822

Electricity	6,233	16,027	22,260	
Water	5,342	13,738	19,080	
Gas	2,177	5,443	7,620	
Sewer	8,014	20,606	28,620	
Sub-total Utilities	21,766	55,814	77,520	PUPA: 1,463

Real Estate Taxes	0	2,400	2,400	
Payroll Taxes	7,363	18,935	26,298	
Miscellaneous Taxes, Licenses and Permits	336	864	1,200	
Sub-total Taxes and Licenses	7,699	22,199	29,898	PUPA: 564

Property and Liability Insurance	16,240	41,760	58,000	
Fidelity Bond Insurance	50	130	180	
Workers Compensation	2,958	7,605	10,563	
Directors & Officers Liability Insurance	0	0	0	
Sub-total Insurance	19,248	49,495	68,743	PUPA: 1,297

Payroll	13,500	34,714	48,214	
Supplies	336	864	1,200	
Contracts	11,256	28,944	40,200	Includes Life Safety lifeline devices and monitoring
Garbage and Trash Removal	7,056	18,144	25,200	
Security Payroll/Contract	118,356	39,452	157,808	Nights and Weekends Desk Clerk @ \$23/hr
HVAC Repairs and Maintenance	0	0	0	
Vehicle and Maintenance Equipment Operation and Repairs	0	0	0	
Miscellaneous Operating and Maintenance Expenses	5,611	14,273	19,884	Incl. fire protctn, pest, indus, airbnb, elect, window/blinds, paint, uniforms, linovr supplies.
Sub-total Maintenance & Repair Expenses	156,115	136,547	292,662	PUPA: 5,522

Supportive Services	0	45,000	45,000	Includes (15) LOSP and (13) Non-LOSP 30% AMI City Subsidy units
Commercial Expenses	0	0	0	Links from 'Commercial Op. Budget Worksheet'
TOTAL OPERATING EXPENSES	264,901	463,682	728,583	PUPA: 13,747

Ground Lease Base Rent	4,200	10,800	15,000	Ground lease with MOHCD Provide additional comments here, if needed
Bond Monitoring Fee	0	0	0	
Replacement Reserve Deposit	6,678	17,172	23,850	
Operating Reserve Deposit	0	0	0	
Other Required Reserve 1 Deposit	0	0	0	
Other Required Reserve 2 Deposit	0	0	0	
Required Reserve Deposits, Commercial	0	0	0	Links from 'Commercial Op. Budget Worksheet'
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	10,878	27,972	38,850	PUPA: 733

TOTAL OPERATING EXPENSES (w/ Reserves/Gl. Base Rent/Bond Fees)	275,779	491,654	767,433	PUPA: 14,480
NET OPERATING INCOME (INCOME minus OP EXPENSES)	7,904	77,712	85,617	PUPA: 1,615

DEBT SERVICE/MUST PAY PAYMENTS (hard debt/amortized loans)				
Hard Debt - First Lender	0	0	0	Provide additional comments here, if needed.
Hard Debt - Second Lender (HCD Program 0.42% pymt. or other 2nd)	0	0	0	Provide additional comments here, if needed.
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	0	0	0	Provide additional comments here, if needed.
Hard Debt - Fourth Lender	0	0	0	Provide additional comments here, if needed.
Commercial Hard Debt Service	0	0	0	Links from 'Commercial Op. Budget Worksheet'
TOTAL HARD DEBT SERVICE	0	0	0	PUPA: 0

CASH FLOW (NDI minus DEBT SERVICE)	7,904	77,712	85,617	
Commercial Only Cash Flow	0	0	0	
Allocation of Commercial Surplus to LOSP/non-LOSP (residual income)	0	0	0	
AVAILABLE CASH FLOW	7,904	77,712	85,617	

USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL				
*Below-the-line Asset Mgt fee (uncommon in new projects, see policy)	0	0	0	
Partnership Management Fee (see policy for limits)	6,024	16,728	22,752	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	1,400	3,600	5,000	
Other Payments	0	0	0	
Non-amortizing Loan Pmt - Lender 1 (listed lender in comments field)	0	0	0	Provide additional comments here, if needed.
Non-amortizing Loan Pmt - Lender 2 (listed lender in comments field)	0	0	0	Provide additional comments here, if needed.
Deferred Developer Fee (Enter amt <= Max Fee from cell 1130)	0	0	0	Def. Develop. Fee split: 0% Provide additional comments here, if needed.
TOTAL PAYMENTS PRECEDING MOHCD	7,904	20,326	28,230	PUPA: 533

RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)	(0)	57,387	57,387	
Residual Receipts Calculation				
Does Project have a MOHCD Residual Receipt Obligation?	Yes	No	Project has MOHCD ground lease?	Yes
Will Project Offer Developer Fee?	Yes	No		
Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1:	33%			
% of Residual Receipts available for distribution to soft debt lenders	67%			

Soft Debt Lenders with Residual Receipts Obligations	(Select lender name/program from drop down)	Total Principal Amt	Distrib. of Soft Debt Loans
MOHCD/DCI - Soft Debt Lender	All MOHCD/DCI loans payable from net debt	\$18,525,352	99.20%
MOHCD/DCI - Ground Lease Value	Ground Lease	\$150,000	0.80%
HCD (soft debt loan) - Lender 3			0.00%
Other Soft Debt Lender - Lender 4			0.00%
Other Soft Debt Lender - Lender 5			0.00%

MOHCD RESIDUAL RECEIPTS DEBT SERVICE			
MOHCD Residual Receipts Amount Due	38,258	38,258	67% of residual receipts, multiplied by 100% - MOHCD's pro rata share of all soft debt
Proposed MOHCD Residual Receipts Amount to Loan Repayment	38,258	38,258	Enter/override amount of residual receipts proposed for loan repayment
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	0	0	If applicable, MOHCD residual receipts amt due LERS amt proposed for loan repaym
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE	0	0	

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE			
HCD Residual Receipts Amount Due	0	0	
Lender 4 Residual Receipts Due	0	0	
Lender 5 Residual Receipts Due	0	0	
Total Non-MOHCD Residual Receipts Debt Service	0	0	

REMAINDER (Should be zero unless there are distributions below)	19,129		
Owner Distributions/Incentive Management Fee	19,129	100% of Borrower share of 33% of residual receipts	
Other Distributions/Uses	0		
Final Balance (should be zero)	0		

Attachment K: 20-year Operating Proforma

88 Broadway Family

Total # Units: 125

	% annual increase	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
INCOME																					
Residential - Tenant Rents	2.5%	1,972,404	2,021,714	2,072,257	2,124,063	2,177,165	2,231,594	2,287,384	2,344,569	2,403,183	2,463,262	2,524,844	2,587,965	2,652,664	2,718,981	2,786,955	2,856,629	2,928,045	3,001,246	3,076,277	3,153,184
Residential - Tenant Assistance Payments (Non-LOSP)	2.5%	828,228	848,934	870,157	891,911	914,209	937,064	960,491	984,503	1,009,115	1,034,343	1,060,202	1,086,707	1,113,875	1,141,721	1,170,264	1,199,521	1,229,509	1,260,247	1,291,753	1,324,047
Commercial Space	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income		2,814,132	2,884,485	2,956,597	3,030,512	3,106,275	3,183,932	3,263,530	3,345,119	3,428,747	3,514,465	3,602,327	3,692,385	3,784,695	3,879,312	3,976,295	4,075,702	4,177,595	4,282,035	4,389,086	4,498,813
Vacancy Loss - Residential - Tenant Rents	n/a	(98,620)	(101,086)	(103,613)	(106,203)	(108,858)	(111,580)	(114,369)	(117,228)	(120,159)	(123,163)	(126,242)	(129,398)	(132,633)	(135,949)	(139,348)	(142,831)	(146,402)	(150,062)	(153,814)	(157,659)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	(41,411)	(42,447)	(43,508)	(44,596)	(45,710)	(46,853)	(48,025)	(49,225)	(50,456)	(51,717)	(53,010)	(54,335)	(55,694)	(57,086)	(58,513)	(59,976)	(61,475)	(63,012)	(64,588)	(66,202)
Vacancy Loss - Commercial	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME		2,674,100	2,740,953	2,809,477	2,879,714	2,951,706	3,025,499	3,101,137	3,178,665	3,258,132	3,339,585	3,423,075	3,508,651	3,596,368	3,686,277	3,778,434	3,872,895	3,969,717	4,068,960	4,170,684	4,274,951
OPERATING EXPENSES																					
Management	3.5%	116,580	120,660	124,883	129,254	133,778	138,460	143,307	148,322	153,514	158,887	164,448	170,203	176,160	182,326	188,707	195,312	202,146	209,223	216,546	224,125
Salaries/Benefits	3.5%	196,336	203,208	210,320	217,681	225,300	233,186	241,347	249,794	258,537	267,586	276,951	286,645	296,677	307,061	317,808	328,931	340,444	352,360	364,692	377,456
Administration	3.5%	80,190	82,997	85,902	88,908	92,020	95,241	98,574	102,024	105,595	109,291	113,116	117,075	121,173	125,414	129,803	134,346	139,048	143,915	148,952	154,165
Utilities	3.5%	196,200	203,067	210,174	217,530	225,144	233,024	241,180	249,621	258,358	267,400	276,759	286,446	296,472	306,848	317,588	328,703	340,208	352,115	364,439	377,195
Taxes and Licenses	3.5%	92,244	95,473	98,814	102,273	105,852	109,557	113,391	117,360	121,468	125,719	130,119	134,673	139,387	144,266	149,315	154,541	159,950	165,548	171,342	177,338
Insurance	3.5%	152,264	157,593	163,109	168,818	174,726	180,842	187,171	193,722	200,503	207,520	214,783	222,301	230,081	238,134	246,469	255,095	264,024	273,264	282,829	292,728
Maintenance & Repair	3.5%	260,654	269,777	279,219	288,992	299,106	309,575	320,410	331,624	343,231	355,244	367,678	380,547	393,866	407,651	421,919	436,686	451,970	467,789	484,162	501,107
Supportive Services	3.5%	104,595	108,256	112,045	115,966	120,025	124,226	128,574	133,074	137,732	142,552	147,542	152,706	158,050	163,582	169,307	175,233	181,366	187,714	194,284	201,084
Commercial Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES		1,199,063	1,241,030	1,284,466	1,329,422	1,375,952	1,424,111	1,473,954	1,525,543	1,578,937	1,634,200	1,691,397	1,750,596	1,811,866	1,875,282	1,940,917	2,008,849	2,079,158	2,151,929	2,227,246	2,305,200
RESERVES/GROUND LEASE BASE RENT/BOND FEES																					
Ground Lease Base Rent	-	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Bond Monitoring Fee	-	26,579	26,579	26,579	26,579	26,579	26,579	26,579	26,579	26,579	26,579	26,579	26,579	26,579	26,579	26,579	26,579	26,579	26,579	26,579	26,579
Replacement Reserve Deposit	-	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Operating Reserve Deposit	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 1 Deposit	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 2 Deposit	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Required Reserve Deposits, Commercial	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees		96,579	96,579	96,579	96,579	96,579	96,579	96,579	96,579	96,579	96,579	96,579	96,579	96,579	96,579	96,579	96,579	96,579	96,579	96,579	96,579
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)		1,295,642	1,337,609	1,381,045	1,426,001	1,472,531	1,520,690	1,570,533	1,622,122	1,675,516	1,730,779	1,787,976	1,847,175	1,908,445	1,971,861	2,037,496	2,105,428	2,175,737	2,248,508	2,323,825	2,401,779
NET OPERATING INCOME (INCOME minus OP EXPENSES)																					
		1,378,459	1,403,344	1,428,432	1,453,712	1,479,175	1,504,810	1,530,603	1,556,543	1,582,616	1,608,806	1,635,099	1,661,477	1,687,922	1,714,416	1,740,938	1,767,467	1,793,980	1,820,452	1,846,859	1,873,172
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																					
Hard Debt - First Lender	-	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748
Hard Debt - Second Lender (HCD Program 0.42% pymt. or other 2nd Lender)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE		1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748	1,184,748
CASH FLOW (NOI minus DEBT SERVICE)		193,711	218,596	243,684	268,964	294,427	320,062	345,855	371,795	397,868	424,058	450,351	476,729	503,174	529,688	556,190	582,719	609,232	635,704	662,111	688,424
USES OF CASH FLOW BELOW (This row also shows DSCR.)																					
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL																					
Deferred Developer Fee (Enter amt <= Max Fee from row 131)	DSCR:	1.16	1.18	1.21	1.23	1.25	1.27	1.29	1.31	1.34	1.36	1.38	1.4	1.42	1.45	1.47	1.49	1.51	1.54	1.56	1.58
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	23,230	24,043	24,885	25,756	26,657	27,590	28,556	29,555	30,589	31,660	32,768	33,915	35,102	36,331	37,602	38,918	40,280	41,690	43,149	44,660
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	-	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Other Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD		110,970	123,078	132,204	141,333	150,459	167,718	176,772	194,174	196,832	195,862	204,853	213,798	222,690	231,521	240,282	43,918	45,280	46,690	48,149	49,660
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)		82,741	95,518	111,480	127,632	143,968	152,344	169,084	177,621	211,035	228,196	245,498	2								

735 Davis Senior

Total # Units:	LOSP Units		Non-LOSP Units		Year 1		Year 2			Year 3			Year 4			Year 5			Year 6		
	15	38			2021		2022			2023			2024			2025			2026		
	% annual inc	% annual increase	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	
INCOME																					
Residential - Tenant Rents	1.0%	2.5%	36,000	463,416	499,416	36,360	475,001	511,361	36,724	486,876	523,600	37,091	499,048	536,139	37,462	511,525	548,986	37,836	524,313	562,149	
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Residential - LOSP Tenant Assistance Payments	n/a	n/a	250,863	-	250,863	256,578	-	256,578	266,023	-	266,023	275,808	-	275,808	285,944	-	285,944	296,445	-	296,445	
Commercial Space	n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Residential Parking	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Rent Income	2.5%	2.5%	-	125,000	125,000	-	128,125	128,125	-	131,328	131,328	-	134,611	134,611	-	137,977	137,977	-	141,426	141,426	
Supportive Services Income	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Income - Project Operations	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Laundry and Vending	2.5%	2.5%	1,603	4,121	5,724	1,643	4,224	5,867	1,684	4,330	6,014	1,726	4,438	6,164	1,769	4,549	6,318	1,813	4,663	6,476	
Tenant Charges	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Residential Income	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Commercial Income	n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gross Potential Income			288,465	592,537	881,003	294,581	607,351	901,931	304,431	622,534	926,965	314,625	638,098	952,722	325,175	654,050	979,225	336,094	670,402	1,006,496	
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(1,800)	(23,171)	(24,971)	(1,818)	(23,750)	(25,568)	(1,836)	(24,344)	(26,180)	(1,855)	(24,952)	(26,807)	(1,873)	(25,576)	(27,449)	(1,892)	(26,216)	(28,107)	
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	(2,982)	-	(2,982)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
EFFECTIVE GROSS INCOME			283,683	569,366	853,050	292,763	583,601	876,363	302,594	598,191	900,785	312,770	613,145	925,916	323,302	628,474	951,776	334,203	644,186	978,388	
OPERATING EXPENSES																					
Management	3.5%	3.5%	16,918	43,502	60,420	17,510	45,025	62,535	18,123	46,601	64,723	18,757	48,232	66,989	19,413	49,920	69,333	20,093	51,667	71,760	
Salaries/Benefits	3.5%	3.5%	31,010	79,740	110,750	32,095	82,531	114,626	33,219	85,420	118,638	34,381	88,409	122,791	35,585	91,504	127,088	36,830	94,706	131,536	
Administration	3.5%	3.5%	12,205	31,385	43,590	12,632	32,493	45,116	13,075	33,620	46,685	13,532	34,797	48,329	14,006	36,015	50,021	14,496	37,275	51,771	
Utilities	3.5%	3.5%	21,706	55,814	77,520	22,465	57,768	80,233	23,252	59,790	83,041	24,065	61,882	85,948	24,908	64,048	88,956	25,779	66,290	92,069	
Taxes and Licenses	3.5%	3.5%	7,699	22,199	29,898	7,969	22,976	30,944	8,248	23,780	32,027	8,537	24,612	33,148	8,835	25,473	34,309	9,145	26,365	35,509	
Insurance	3.5%	3.5%	19,248	49,495	68,743	19,922	51,227	71,149	20,619	53,020	73,639	21,341	54,876	76,217	22,088	56,797	78,884	22,861	58,784	81,645	
Maintenance & Repair	3.5%	3.5%	156,115	136,547	292,662	161,579	141,326	302,905	167,234	146,273	313,507	173,088	151,392	324,480	179,146	156,691	335,837	185,416	162,175	347,591	
Supportive Services	3.5%	3.5%	-	45,000	45,000	-	46,575	46,575	-	48,205	48,205	-	49,892	49,892	-	51,639	51,639	-	53,446	53,446	
Commercial Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL OPERATING EXPENSES			264,901	463,682	728,583	274,173	479,911	754,084	283,769	496,708	780,477	293,701	514,093	807,793	303,980	532,086	836,066	314,619	550,709	865,328	
Reserves/Ground Lease Base Rent/Bond Fees					13,747																
Ground Lease Base Rent	-	-	4,200	10,800	15,000	4,200	10,800	15,000	4,200	10,800	15,000	4,200	10,800	15,000	4,200	10,800	15,000	4,200	10,800	15,000	
Bond Monitoring Fee	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Replacement Reserve Deposit	-	-	6,678	17,172	23,850	6,678	17,172	23,850	6,678	17,172	23,850	6,678	17,172	23,850	6,678	17,172	23,850	6,678	17,172	23,850	
Operating Reserve Deposit	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Required Reserve 1 Deposit	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Required Reserve 2 Deposit	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Required Reserve Deposits, Commercial	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			10,878	27,972	38,850	10,878	27,972	38,850	10,878	27,972	38,850	10,878	27,972	38,850	10,878	27,972	38,850	10,878	27,972	38,850	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			275,779	491,654	767,433	285,051	507,883	792,934	294,647	524,680	819,327	304,579	542,065	846,643	314,858	560,058	874,916	325,497	578,681	904,178	
NET OPERATING INCOME (INCOME minus OP EXPENSES)			7,904	77,712	14,480	7,712	75,718	83,430	7,948	73,511	81,458	8,192	71,081	79,272	8,444	68,416	76,860	8,705	65,505	74,210	
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																					
Hard Debt - First Lender	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Hard Debt - Fourth Lender	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Commercial Hard Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL HARD DEBT SERVICE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
CASH FLOW (NOI minus DEBT SERVICE)			7,904	77,712	14,480	7,712	75,718	83,430	7,948	73,511	81,458	8,192	71,081	79,272	8,444	68,416	76,860	8,705	65,505	74,210	
USES OF CASH FLOW BELOW (This row also shows DSCR)																					
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL																					
Deferred Developer Fee (Enter amt <= Max Fee from row 131)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Partnership Management Fee (see policy for limits)	3.5%	3.5%	6,504	16,726	23,230	6,732	17,311	24,043	6,968	17,917	24,885	7,212	18,544	25,756	7,464	19,193	26,657	7,725	19,865	27,590	
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	-	-	1,400	3,600	5,000	980	2,520	3,500	980	2,520	3,500	980	2,520	3,500	980	2,520	3,500	980	2,520	3,500	
Other Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-amortizing Loan Pmtnt - Lender 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-amortizing Loan Pmtnt - Lender 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL PAYMENTS PRECEDING MOHCD			7,904	20,326	28,230	7,712	19,831	27,543	7,948	20,437	28,385	8,192	21,064	29,256	8,444	21,713	30,157	8,705	22,385	31,090	
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)			(0)	57,387	57,387	-	55,887	55,887	0	53,074	53,074	0	50,017	50,017	0	46,703	46,703	0	43,120	43,120	
Does Project have a MOHCD Residual Receipt Obligation?	Yes																				
Will Project Deficit Developer Fee?	No																				
Residual Receipts split for all years. - Lender/Owner	67% / 33%																				
MOHCD RESIDUAL RECEIPTS DEBT SERVICE																					
MOHCD Residual Receipts Amount Due	100.00%	-	-	38,258	-	-	37,258														

735 Davis Senior

Total # Units:	LOSP Units		Non-LOSP Units		Year 7		Year 8		Year 9		Year 10		Year 11		Year 12					
	15	38																		
	% annual inc	% annual increase	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total			
INCOME																				
Residential - Tenant Rents	1.0%	2.5%	38,215	537,420	575,635	38,597	550,856	589,453	38,983	564,627	603,610	39,373	578,743	618,116	39,766	593,212	632,978	40,164	608,042	648,206
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a	307,322	-	307,322	318,589	-	318,589	330,261	-	330,261	342,350	-	342,350	354,873	-	354,873	367,843	-	367,843
Commercial Space	n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential Parking	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%	-	144,962	144,962	-	148,586	148,586	-	152,300	152,300	-	156,108	156,108	-	160,011	160,011	-	164,011	164,011
Supportive Services Income	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%	1,859	4,779	6,638	1,905	4,899	6,804	1,953	5,021	6,974	2,002	5,147	7,148	2,052	5,276	7,327	2,103	5,407	7,510
Tenant Charges	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Commercial Income	n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income			347,395	687,162	1,034,557	359,091	704,341	1,063,432	371,196	721,949	1,093,145	383,724	739,998	1,123,722	396,691	758,498	1,155,188	410,110	777,460	1,187,570
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(1,911)	(26,871)	(28,782)	(1,930)	(27,543)	(29,473)	(1,949)	(28,231)	(30,181)	(1,969)	(28,937)	(30,906)	(1,988)	(29,661)	(31,649)	(2,008)	(30,402)	(32,410)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			345,485	660,291	1,005,775	357,162	676,798	1,033,959	369,247	693,718	1,062,965	381,756	711,061	1,092,817	394,702	728,837	1,123,539	408,102	747,058	1,155,160
OPERATING EXPENSES																				
Management	3.5%	3.5%	20,796	53,476	74,272	21,524	55,347	76,871	22,277	57,284	79,562	23,057	59,289	82,346	23,864	61,364	85,228	24,699	63,512	88,211
Salaries/Benefits	3.5%	3.5%	38,119	98,021	136,140	39,453	101,452	140,905	40,834	105,902	145,837	42,263	108,678	150,941	43,743	112,481	156,224	45,274	118,418	161,692
Administration	3.5%	3.5%	15,003	38,580	53,583	15,528	39,930	55,459	16,072	41,328	57,400	16,634	42,774	59,409	17,217	44,271	61,488	17,819	45,821	63,640
Utilities	3.5%	3.5%	26,682	68,610	95,292	27,616	71,012	98,627	28,582	73,497	102,079	29,583	76,069	105,652	30,618	78,732	109,350	31,690	81,487	113,177
Taxes and Licenses	3.5%	3.5%	9,465	27,288	36,752	9,796	28,243	38,039	10,139	29,231	39,370	10,494	30,254	40,748	10,861	31,313	42,174	11,241	32,409	43,650
Insurance	3.5%	3.5%	23,661	60,842	84,503	24,489	62,971	87,460	25,346	65,175	90,521	26,233	67,457	93,690	27,151	69,818	96,969	28,102	72,261	100,363
Maintenance & Repair	3.5%	3.5%	191,905	167,851	359,757	198,622	173,726	372,348	205,574	179,806	385,380	212,769	186,100	398,869	220,216	192,613	412,829	227,923	199,355	427,278
Supportive Services	3.5%	3.5%	-	55,316	55,316	-	57,253	57,253	-	59,256	59,256	-	61,330	61,330	-	63,477	63,477	-	65,699	65,699
Commercial Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES			325,631	569,984	895,615	337,028	589,933	926,961	348,824	610,581	959,405	361,033	631,951	992,984	373,669	654,070	1,027,739	386,748	676,962	1,063,710
RESERVES/GROUND LEASE BASE RENT/BOND FEES																				
Ground Lease Base Rent	-	-	4200	10800	15,000	4200	10800	15,000	4200	10800	15,000	4200	10800	15,000	4200	10800	15,000	4200	10800	15,000
Bond Monitoring Fee	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Deposit	-	-	6678	17172	23,850	6678	17172	23,850	6678	17172	23,850	6678	17172	23,850	6678	17172	23,850	6678	17172	23,850
Operating Reserve Deposit	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 1 Deposit	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 2 Deposit	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Required Reserve Deposits, Commercial	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			10,878	27,972	38,850	10,878	27,972	38,850	10,878	27,972	38,850	10,878	27,972	38,850	10,878	27,972	38,850	10,878	27,972	38,850
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			336,509	597,956	934,465	347,906	617,905	965,811	359,702	638,553	998,255	371,911	659,923	1,031,834	384,547	682,042	1,066,589	397,626	704,934	1,102,560
NET OPERATING INCOME (INCOME minus OP EXPENSES)																				
			8,976	62,335	71,310	9,255	58,893	68,148	9,545	55,165	64,710	9,845	51,137	60,982	10,155	46,796	56,951	10,476	42,124	52,600
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																				
Hard Debt - First Lender	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)			8,976	62,335	71,310	9,255	58,893	68,148	9,545	55,165	64,710	9,845	51,137	60,982	10,155	46,796	56,951	10,476	42,124	52,600
USES OF CASH FLOW BELOW (This row also shows DSCR)																				
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL																				
Deferred Developer Fee (Enter amt <= Max Fee from row 131)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	7,996	20,560	28,556	8,275	21,280	29,555	8,565	22,024	30,589	8,865	22,795	31,660	9,175	23,593	32,768	9,496	24,419	33,915
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)	-	-	980	2,520	3,500	980	2,520	3,500	980	2,520	3,500	980	2,520	3,500	980	2,520	3,500	980	2,520	3,500
Other Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD			8,976	23,080	32,056	9,255	23,800	33,055	9,545	24,544	34,089	9,845	25,315	35,160	10,155	26,113	36,268	10,476	26,939	37,415
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)			(0)	39,255	39,255	(0)	35,093	35,093	(0)	30,620	30,620	0	25,822	25,822	-	20,683	20,683	-	15,185	15,185
Does Project have a MOHCD Residual Receipt Obligation?																				
Will Project Deficit Developer Fee?			Yes																	
Residual Receipts split for all years. - Lender/Owner			No																	
MOHCD RESIDUAL RECEIPTS DEBT SERVICE																				
MOHCD Residual Receipts Amount Due			100.00%																	
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			-																	
Proposed MOHCD Residual Receipts Amount to Replacement Reserve			-																	
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE			13,085																	

735 Davis Senior

Total # Units:	Non-LOSP Units		Year 13		Year 14		Year 15		Year 16		Year 17		Year 18							
	53		2033		2034		2035		2036		2037		2038							
	% annual inc LOSP	% annual increase	LOSP	non-LOSP	LOSP	non-LOSP	LOSP	non-LOSP	LOSP	non-LOSP	LOSP	non-LOSP	LOSP	non-LOSP						
INCOME																				
Residential - Tenant Rents	1.0%	2.5%	40,566	623,243	663,809	40,971	638,824	679,795	41,381	654,795	696,176	41,795	671,165	712,959	42,213	687,944	730,156	42,635	705,142	747,777
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Residential - LOSP Tenant Assistance Payments	n/a	n/a	381,277	-	381,277	395,192	-	395,192	409,604	-	409,604	424,531	-	424,531	439,990	-	439,990	456,001	-	456,001
Commercial Space	n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Residential Parking	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Rent Income	2.5%	2.5%	-	168,111	168,111	-	172,314	172,314	-	176,622	176,622	-	181,037	181,037	-	185,563	185,563	-	190,202	190,202
Supportive Services Income	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Income - Project Operations	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Laundry and Vending	2.5%	2.5%	2,155	5,543	7,698	2,209	5,681	7,891	2,265	5,823	8,088	2,321	5,969	8,290	2,379	6,118	8,497	2,439	6,271	8,710
Tenant Charges	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Residential Income	2.5%	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Commercial Income	n/a	2.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gross Potential Income			423,999	796,897	1,220,895	438,373	816,819	1,255,192	453,250	837,240	1,290,489	468,647	858,171	1,326,817	484,582	879,625	1,364,207	501,075	901,616	1,402,690
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(2,028)	(31,162)	(33,190)	(2,049)	(31,941)	(33,990)	(2,069)	(32,740)	(34,809)	(2,090)	(33,558)	(35,648)	(2,111)	(34,397)	(36,508)	(2,132)	(35,257)	(37,389)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
EFFECTIVE GROSS INCOME			421,970	765,735	1,187,705	436,324	784,878	1,221,202	451,181	804,500	1,255,680	466,557	824,612	1,291,169	482,471	845,228	1,327,699	498,943	866,358	1,365,301
OPERATING EXPENSES																				
Management	3.5%	3.5%	25,564	65,735	91,299	26,458	68,036	94,494	27,384	70,417	97,802	28,343	72,882	101,225	29,335	75,433	104,767	30,362	78,073	108,434
Salaries/Benefits	3.5%	3.5%	46,858	120,493	167,351	48,498	124,710	173,208	50,196	129,075	179,271	51,953	133,592	185,545	53,771	138,268	192,039	55,653	143,108	198,780
Administration	3.5%	3.5%	18,443	47,425	65,867	19,088	49,084	68,173	19,756	50,802	70,559	20,448	52,500	73,028	21,164	54,421	75,584	21,904	56,326	78,230
Utilities	3.5%	3.5%	32,799	84,339	117,138	33,947	87,291	121,238	35,135	90,346	125,481	36,364	93,509	129,873	37,637	96,781	134,419	38,955	100,169	139,123
Taxes and Licenses	3.5%	3.5%	11,634	33,544	45,178	12,042	34,718	46,759	12,463	35,933	48,396	12,899	37,190	50,090	13,351	38,492	51,843	13,818	39,839	53,657
Insurance	3.5%	3.5%	29,085	74,790	103,875	30,103	77,408	107,511	31,157	80,117	111,274	32,247	82,921	115,169	33,376	85,824	119,199	34,544	88,827	123,371
Maintenance & Repair	3.5%	3.5%	235,901	206,332	442,233	244,157	213,554	457,711	252,703	221,028	473,731	261,547	228,764	490,311	270,702	236,771	507,472	280,176	245,058	525,234
Supportive Services	3.5%	3.5%	-	67,998	67,998	-	70,378	70,378	-	72,841	72,841	-	75,391	75,391	-	78,029	78,029	-	80,760	80,760
Commercial Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL OPERATING EXPENSES			400,284	700,656	1,100,939	414,294	725,179	1,139,472	428,794	750,560	1,179,354	443,802	776,829	1,220,631	459,335	804,018	1,263,353	475,411	832,159	1,307,571
RESERVES/GROUND LEASE BASE RENT/BOND FEES																				
Ground Lease Base Rent			4200	10800	15,000	4200	10800	15,000	4200	10800	15,000	4200	10800	15,000	4200	10800	15,000	4200	10800	15,000
Bond Monitoring Fee			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Deposit			6678	17172	23,850	6678	17172	23,850	6678	17172	23,850	6678	17172	23,850	6678	17172	23,850	6678	17172	23,850
Operating Reserve Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 1 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Required Reserve 2 Deposit			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Required Reserve Deposits, Commercial			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			10,878	27,972	38,850	10,878	27,972	38,850	10,878	27,972	38,850	10,878	27,972	38,850	10,878	27,972	38,850	10,878	27,972	38,850
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/Bond Fees)			411,162	728,628	1,139,789	425,172	753,151	1,178,322	439,672	778,532	1,218,204	454,680	804,801	1,259,481	470,213	831,990	1,302,203	486,289	860,131	1,346,421
NET OPERATING INCOME (INCOME minus OP EXPENSES)																				
			10,809	37,107	47,916	11,153	31,727	42,880	11,509	25,968	37,477	11,877	19,811	31,688	12,259	13,237	25,496	12,653	6,227	18,881
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)																				
Hard Debt - First Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hard Debt - Fourth Lender			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)			10,809	37,107	47,916	11,153	31,727	42,880	11,509	25,968	37,477	11,877	19,811	31,688	12,259	13,237	25,496	12,653	6,227	18,881
USES OF CASH FLOW BELOW (This row also shows DSCR)																				
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL																				
Deferred Developer Fee (Enter amt <= Max Fee from row 131)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	9,829	25,274	35,102	10,173	26,158	36,331	10,529	27,074	37,602	10,897	28,021	38,918	11,279	29,002	40,280	11,673	30,017	41,690
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			980	2,520	3,500	980	2,520	3,500	980	2,520	3,500	980	2,520	3,500	980	2,520	3,500	980	2,520	3,500
Other Payments			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD			10,809	27,794	38,602	11,153	28,678	39,831	11,509	29,594	41,102	11,877	30,541	42,418	12,259	13,522	43,780	12,653	32,537	45,190
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)			0	9,313	9,313	0	3,049	3,049	-	(3,626)	(3,626)	0	(10,730)	(10,730)	0	(18,285)	(18,285)	0	(26,310)	(26,310)
Does Project have a MOHCD Residual Receipt Obligation?																				
Will Project Deficit Developer Fee?			No																	
Residual Receipts split for all years. - Lender/Owner			67% / 33%																	
MOHCD RESIDUAL RECEIPTS DEBT SERVICE																				
MOHCD Residual Receipts Amount Due																				

735 Davis Senior

Total # Units:	LOSP Units		Non-LOSP Units					
	15	38	Year 19					
	28.00%	72.00%	2039					
	% annual inc LOSP	% annual increase	LOSP	non-LOSP	Total	LOSP	non-LOSP	Total
			Year 20					
			2040					
INCOME								
Residential - Tenant Rents	1.0%	2.5%	43,061	722,771	765,832	43,492	740,840	784,332
Residential - Tenant Assistance Payments (Non-LOSP)	n/a	n/a	-	-	-	-	-	-
Residential - LOSP Tenant Assistance Payments	n/a	n/a	472,583	-	472,583	489,756	-	489,756
Commercial Space	n/a	2.5%	-	-	-	-	-	-
Residential Parking	2.5%	2.5%	-	-	-	-	-	-
Miscellaneous Rent Income	2.5%	2.5%	-	194,957	194,957	-	199,831	199,831
Supportive Services Income	2.5%	2.5%	-	-	-	-	-	-
Interest Income - Project Operations	2.5%	2.5%	-	-	-	-	-	-
Laundry and Vending	2.5%	2.5%	2,500	6,428	8,927	2,562	6,588	9,151
Tenant Charges	2.5%	2.5%	-	-	-	-	-	-
Miscellaneous Residential Income	2.5%	2.5%	-	-	-	-	-	-
Other Commercial Income	n/a	2.5%	-	-	-	-	-	-
Withdrawal from Capitalized Reserve (deposit to operating account)	n/a	n/a	-	-	-	-	-	-
Other Income								
Gross Potential Income			518,144	924,156	1,442,300	535,810	947,260	1,483,070
Vacancy Loss - Residential - Tenant Rents	n/a	n/a	(2,153)	(36,139)	(38,292)	(2,175)	(37,042)	(39,217)
Vacancy Loss - Residential - Tenant Assistance Payments	n/a	n/a	-	-	-	-	-	-
Vacancy Loss - Commercial	n/a	n/a	-	-	-	-	-	-
EFFECTIVE GROSS INCOME			515,991	888,017	1,404,008	533,635	910,218	1,443,853
OPERATING EXPENSES								
Management	3.5%	3.5%	31,424	80,805	112,229	32,524	83,633	116,158
Salaries/Benefits	3.5%	3.5%	57,601	148,116	205,717	59,617	153,300	212,917
Administration	3.5%	3.5%	22,671	58,297	80,968	23,466	60,337	83,802
Utilities	3.5%	3.5%	40,318	103,675	143,993	41,729	107,303	149,032
Taxes and Licenses	3.5%	3.5%	14,302	41,234	55,535	14,802	42,677	57,479
Insurance	3.5%	3.5%	35,753	91,936	127,689	37,004	95,154	132,159
Maintenance & Repair	3.5%	3.5%	289,982	253,635	543,617	300,132	262,512	562,643
Supportive Services	3.5%	3.5%	-	83,587	83,587	-	86,513	86,513
Commercial Expenses								
TOTAL OPERATING EXPENSES			492,051	861,285	1,353,336	509,273	891,430	1,400,702
PUPA (w/o Reserves/GL Base Rent/Bond Fees)								
Reserves/Ground Lease Base Rent/Bond Fees								
Ground Lease Base Rent			4200	10800	15,000	4200	10800	15,000
Bond Monitoring Fee			0	0	0	0	0	0
Replacement Reserve Deposit			6678	17172	23,850	6678	17172	23,850
Operating Reserve Deposit			0	0	0	0	0	0
Other Required Reserve 1 Deposit			0	0	0	0	0	0
Other Required Reserve 2 Deposit			0	0	0	0	0	0
Required Reserve Deposit/s, Commercial			0	0	0	0	0	0
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			10,878	27,972	38,850	10,878	27,972	38,850
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)			502,929	889,257	1,392,186	520,151	919,402	1,439,552
PUPA (w/ Reserves/GL Base Rent/Bond Fees)								
NET OPERATING INCOME (INCOME minus OP EXPENSES)			13,062	(1,239)	11,823	13,485	(9,184)	4,301
DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)								
Hard Debt - First Lender			-	-	-	-	-	-
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)			-	-	-	-	-	-
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)			-	-	-	-	-	-
Hard Debt - Fourth Lender			-	-	-	-	-	-
Commercial Hard Debt Service			-	-	-	-	-	-
TOTAL HARD DEBT SERVICE			-	-	-	-	-	-
CASH FLOW (NOI minus DEBT SERVICE)			13,062	(1,239)	11,823	13,485	(9,184)	4,301
USES OF CASH FLOW BELOW (This row also shows DSCR)								
USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL								
Deferred Developer Fee (Enter amt <= Max Fee from row 131)			-	-	-	-	-	-
"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)	3.5%	3.5%	-	-	-	-	-	-
Partnership Management Fee (see policy for limits)	3.5%	3.5%	12,082	31,068	43,149	12,505	32,155	44,660
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			980	2,520	3,500	980	2,520	3,500
Other Payments			-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 1			-	-	-	-	-	-
Non-amortizing Loan Pmnt - Lender 2			-	-	-	-	-	-
TOTAL PAYMENTS PRECEDING MOHCD			13,062	33,588	46,649	13,485	34,675	48,160
RESIDUAL RECEIPTS (CASH FLOW minus PAYMENTS PRECEDING MOHCD)			0	(34,827)	(34,827)	0	(43,859)	(43,859)
Does Project have a MOHCD Residual Receipt Obligation? Yes								
Will Project Defer Developer Fee? No								
Residual Receipts split for all years: - Lender/Owner 67% / 33%								
MOHCD RESIDUAL RECEIPTS DEBT SERVICE								
MOHCD Residual Receipts Amount Due	100.00%		-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease			-	-	-	-	-	-
Proposed MOHCD Residual Receipts Amount to Replacement Reserve			-	-	-	-	-	-
REMAINING BALANCE AFTER MOHCD RESIDUAL RECEIPTS DEBT SERVICE			-	-	-	-	-	-
NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE								
HCD Residual Receipts Amount Due	0.00%		-	-	-	-	-	-
Lender 4 Residual Receipts Due	0.00%		-	-	-	-	-	-
Lender 5 Residual Receipts Due	0.00%		-	-	-	-	-	-
Total Non-MOHCD Residual Receipts Debt Service			-	-	-	-	-	-
REMAINDER (Should be zero unless there are distributions below)								
Owner Distributions/Incentive Management Fee			-	-	-	-	-	-
Other Distributions/Uses			-	-	-	-	-	-
Final Balance (should be zero)			-	-	-	-	-	-

Attachment L: Supportive Services Plan and Budget



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88 BROADWAY

Family Site Services Budget

EXPENDITURES	Annual Salary	FTE for Site	Year One
PERSONNEL EXPENSES:			
Program Manager	\$57,545	0.2	\$11,509
Program Coordinator	\$49,500	0.5	\$24,750
Bilingual Case Manager	\$49,500	0.6	\$30,440
Deputy Director	\$82,100	0.05	\$4,105
Total FTE & Salaries		1.36	
Fringe Benefits		30%	\$21,241
TOTAL PERSONNEL EXPENSES			\$92,045
OPERATING EXPENSES:			
Office Supplies/Cell Phone			\$8,550
Program/Educational supplies			\$4,000
TOTAL OPERATING EXPENSES			\$12,550
TOTAL EXPENSES			\$104,595

DRAFT Supportive Service Plan - 88 Broadway Family Housing

BRIDGE, JSCo, the YMCA of San Francisco, and Lutheran Social Services (“LSS”) will be partnering to provide high quality services for the residents of 88 Broadway, including programs and services for children, youth and families. BRIDGE and JSCo will be leading the resident services for the building by working with community partners. LSS will focus on the families relocating from HOPE SF sites. All of the partners are determined to accomplish the goals of decreasing concentrations of poverty by developing a healthy, sustainable and active community, and contributing to the health of the surrounding neighborhood.

Service Focus and Philosophy for 88 Broadway

BRIDGE and JSCo have the paramount goal of providing safe and stable affordable housing for low and very low-income families with a variety of demographics in terms of age, ethnicity, primary language, education, work status, and family composition. At 88 Broadway all these individuals and families will have full access to the supportive services put in place by BRIDGE, the YMCA, and LSS by collaborating with local and city-wide non-profits. In addition, space will be provided on site for programs.

This model of providing various interconnected supportive services HOPE SF relocation families will provide the highest quality of services and programs and meet their specific needs and will also encourage community building and integration, independence, growth, self-determination and self-sufficiency. Consequently, the services that will be delivered to the whole community emphasize community building, parent-child education, and child enrichment activities. Specifically, the services provided by YMCA include:

- Afterschool programming: known for their youth development and enrichment programming, the YMCA after school program services school-age youth who seek extra academic support. With an emphasis on inclusion, the program strives to meet each student’s academic needs through academic support and enrichment learning. The program has an added effect of building relationships among young residents and their families.
- Family enrichment: Low income families often lack structured family together time to relax, enjoy each other, and build community. To address this need, the YMCA will offer programmed “family fun nights” for parents and children to experience enrichment activities that promote dual generation learning and bonding.
- Family engagement: Lastly, YMCA staff will support family stability by offering information and connections to local resources that meet community needs. Based on a service connection model, the goal is to build residents’ knowledge of and access to the rich array of resources available in San Francisco.

Since 88 Broadway will be a mixed housing development of families earning up to 120% AMI, including individuals and families relocating from HOPE SF sites, BRIDGE and LSS s will focus on three essential areas: Community Building, Housing Stabilization, Community Employment and Economic Development and Youth Development.

1. Community Building: To promote community stability and family self-determination, to ensure a solid home base for economic and social self-sufficiency, independent living, and community growth and development.

Plan: YMCA will focus on community building and social activities for the entire population, while LSS will focus on providing voluntary case management services to the HOPE SF relocation families. LSS will partner with BRIDGE, JSCo, and the YMCA to support community building activities such as organized play groups for mothers/fathers with young children; casual gathering times such as weekly breakfast/coffee social times; large community celebrations for cultural holidays; and regular community meetings to gather input for Property concerns. Providing self-sufficiency and community building program information in appropriate languages based on resident demographics will be a part of the work.

2. Housing Stabilization: There will be a significant need for supportive services in regards to housing stabilization, housing retention and lease education, primarily for HOPE SF and lower income families in the general building population.

Plan: Provide daily case management and referral assistance on any housing related issues including early intervention for problem solving; referral to legal assistance when indicated; support for mediation for conflict resolution among tenants; facilitate and establish open dialogue between service staff, management, and residents.

3. Employment and Economic Development: Assist residents to achieve economic self-sufficiency by accessing programs and services that result in job placement, job retention, career advancement and on-going personal career and development.

Plan: Identify job readiness, job training, educational opportunities, and job placement services available through City agencies, non-profits and the private sector; create partnerships and sponsor quarterly job fairs; identify any unmet employment needs through case management assessment and develop resources to meet those needs.

4. Youth Development: With one hundred and twenty units designated for families at 88 Broadway, estimates have suggested that between 30% and 40% of the population will be youth 18 years old and younger. At the high end of that that age range, there is a risk of experiencing school

failures and /or participating in high risk behavior such as early sexual activity, alcohol and drug use, and criminal justice contacts.

Plan: The youth service plan will be led by BRIDGE partners with a focus on the following areas: academic enrichment and support, health and wellness, cultural enrichment and diversity, career and college exploration and leadership development. The YMCA will provide youth services to 88 Broadway residents through its After-School Program. The YMCA-run child care center on site will be a vital resource for our resident families.

Relationship with Property Management

LSS works to provide a services rich program with all of the housing sites we serve. Our housing retention and stability rates have been over 90%. Behavior related lease violations in the family sites we serve are minimal which we would attribute to the strong community building activities and on-site access to immediate support for individual and family crisis. Another factor is a strong working relationship between support services staff and Property Management staff who are all committed to maintaining a safe and stable housing community. Support Services Staff work closely with Property Management to resolve concerns and issues that arise between tenants and Property Management in an effort to be proactive in supporting residents. On-site services staff meet weekly with on-site Property Management staff to review any notices of lease violations and/or community concerns.

Most often residents face lease violations for financial challenges in rent payment particularly during the past few years as the economic downturn seriously affected employment for low wage workers. By connecting families with resources available through CBO's that advocate for tenants most violations have been resolved with payment plans and other structured responses.

The key objective is tenant housing stability. This goal is achieved by proactive engagement with residents on a number of levels. Many of the residents coming to 88 Broadway will most likely have been marginally housed for many years. Many may not be familiar with resources available in the community that could assist them in maintaining housing. For many the lack of knowledge may be due to language barriers and also to cultural barriers. By actively reaching out to residents from the very first weeks of their tenancy

Long Term Stability: The inclusion of a Child Care Program run by the YMCA of San Francisco will be an extremely valuable resource for young families. Assuming the demographics are similar to other family supportive housing sites, more than half of the residents will be children with a significant cohort under age 11. As these children grow it will be critical to continue to have on-site support for them and their families.

Staffing

BRIDGE and JSCo will be responsible for the overall delivery of services and coordination of the services program.

Staff, Service Providers and Their Roles		
Staff	Organization	Description of Services
Director of Resident Service	BRIDGE	Oversees all services onsite, creates and coordinates partnerships
Resident Services Coordinator	BRIDGE	Coordinates the delivery of services and programs, provides supportive services links and community programs
LSS Program Manager	LSS	Oversees LSS Staff and services
Family Case Managers –bilingual	LSS	Intake and Assessment, Individual Outreach, Case Management , Benefits Advocacy and Assistance, Information and Referrals, Mediation and Advocacy with Property Management, Social Events and Organized Tenant Activities, Rental Assistance Referrals
Child Care	YMCA	The YMCA childcare center will provide a full day care program for working families or parents in job training and educational programs for families.
Partnerships- Community local Non-Profits	With other CBO's as needed	Access to City benefit programs, community medical care clothing and food needs, parenting support and life skills, educational opportunities, pre-vocational/vocational activities, school system problems, adult education, academic support, after school enrichment, recreation, counseling services, eviction prevention and mental health services



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735 DAVIS

Senior Site Services Budget

EXPENDITURES	Annual Salary	FTE	Year One
PERSONNEL EXPENSES:			
Program Manager	\$61,343	0.2	\$12,269
Program Coordinator	\$51,257	0.25	\$12,814
Bilingual Case Manager	\$43,443	0.5	\$21,722
Deputy Director	\$86,100	0.05	\$4,305
Total FTE & Salaries		1	
Fringe Benefits		34%	\$17,377
TOTAL PERSONNEL EXPENSES			\$68,487
OPERATING EXPENSES:			
Office Supplies/Cell Phone			\$7,600
Program/Educational supplies			\$3,000
TOTAL OPERATING EXPENSES			\$10,600
Indirect Expenses @15%			\$11,863
TOTAL EXPENSES			\$90,950

Lutheran Social Services -- Supportive Service Plan --735 Davis St. Senior Housing

BRIDGE and Lutheran Social Services (“LSS”) will be partnering to provide high quality supportive housing including programs and services for seniors at 735 Davis St, San Francisco, CA 94111. LSS will provide high level Case Management Services to the anticipated 15 DAH seniors moving out of homelessness. In addition, will provide information and referral, and basic resident services/ wellness programming for all residents of 735 Davis. BRIDGE and LSS are determined to accomplish the goals of decreasing concentrations of poverty by developing a healthy, sustainable and active community, and contributing to the health of the surrounding neighborhood.

Service Focus and Philosophy for 735 Davis

BRIDGE Housing has the primary purpose of providing safe and stable affordable housing for low and very low-income families and individuals. BRIDGE’s residents represent a variety of demographics in terms of age, ethnicity, primary language, education, work status, housing history, disability and family composition. At 735 Davis all residents will have access to the full range of services put in place by BRIDGE and LSS, including through collaboration with local and city-wide non-profits.

735 Davis will be 53 units of mixed income housing developed for seniors with incomes 30% to 70% AMI, including seniors moving out of homelessness. 15 units will be available for formerly homeless seniors, 12-13 units will be available to those with incomes up to 70% AMI and 28 units will be available to those with incomes up to 50% AMI.

LSS will provide on-site services to all of the senior residents with a particular focus on providing intensive Case Management services to the 15 formerly homeless seniors who are placed through the Department of Public Health Direct Access to Housing (DAH) program. Since all of the residents will be low income and possibly at risk for the complex health and social issues that are part of the realities of the aging process, it is anticipated that most residents will benefit from accessing services.

This model of providing various interconnected supportive services to formerly homeless seniors and special needs populations will provide the highest quality of programs to meet their specific needs, while encouraging independence, growth, self-determination and self-sufficiency.

There are two key components to providing effective services to formerly homeless and at-risk seniors as they adjust to the structure of living within permanent housing:

1. **Intensive Case Management:** Case Managers provide a multitude of vital resources, referral information and extensive emotional support to residents. The services provided include, but are not limited to, the following:
 - a. Persistent outreach to engage, build and nurture appropriate alliances with individual residents, with the goal of assisting engaged residents to meet basic needs, to improve their overall health and to achieve a higher quality of life as they define it.
 - b. Linking and coordinating resident’s access to primary care physicians, mental health services, substance use services and legal referrals including providing appointment reminders, arranging transportation and accompanying residents to appointments when needed.
 - c. Connecting residents to the following services critical to maintaining their ability to live independently: In Home Support Services, Meals on Wheels, Para-transit and Adult Day Health
 - d. Facilitating crisis interventions services (911, Mobile Crises, APS) and entry into higher level of care (skilled nursing facilities, treatment programs, etc.) when needed.
 - e. Close collaboration with on-site Property Management to assist residents with maintaining their housing by providing support and assistance with communication and follow through for lease violations and other concerns as noted.
2. **Community Building:** Case Managers work to reduce isolation by creating positive socialization and educational opportunities through a variety of activities and events which may include:
 - a. Weekly activities such as a food pantry distribution from the Food Bank, computer skills building, coffee socials, cooking groups, ADL skill building groups and exercise groups. Often these activities are conducted by Community Groups who focus on services for seniors.

- b. Monthly community meetings with educational and/or resource presentation, a shared meal and resident birthday celebrations.
- c. Various holiday and cultural celebrations and events.
- d. Game nights, talent shows, volunteer appreciation events.
- e. Various health, safety and educational workshops such as cooking safely, personal safety in the larger community, crises planning for personal needs, privacy and personal data protection, financial planning, etc.

Lutheran Social Services-Supportive Services Focus and Philosophy for 735 Davis

LSS has been providing support services to low income and formerly homeless families and seniors in San Francisco since 2002. Over time we have developed a model that has at its core a commitment to meet families and individuals “where they are” and respond to their needs as they become a stable part of the community. This involves understanding the lives of our residents both prior to move in and also as they grow and mature in their new environment. It also involves having staff with diverse linguistic and cultural traditions. Currently LSS provides supportive housing services for individuals and families at 5 program sites in San Francisco. This includes 170 family households with more than 350 adults and children and 24 seniors at Mosaica Family Apartments and Bernal Gateway Apartments; 55 formerly homeless seniors and 50 very low income seniors at 990 Polk St. Senior Apartments; 98 formerly homeless adults with significant mental and physical health issues living at Folsom Dore Apartments, 30 previously incarcerated adults living with HIV/AIDS in our Forensic Housing Program and more than 220 medically fragile adults annually living with HIV/AIDS through an emergency stabilization program in partnership with San Francisco Department of Public Health. In addition we provide Money Management services to over 1750 formerly homeless adults living in San Francisco.

Services Philosophy and Approach for Supportive Housing Residents: For all of our formerly homeless individuals and families it is important to understand the trauma of homelessness and its myriad affects on children and their parents as well as single adults and seniors. When individuals and families are newly housed it is critical to take time to build relationships of trust that can support residents in their initial needs for security and stability in a new environment. All new residents moving into our housing partner sites are contacted for an intake appointment within the first 30 days of residency – usually within the first 2 weeks. While Services staff target regular engagement to those individuals who exhibit the highest level of need and those transitioning from homelessness, staff also schedule ongoing, regular outreach to all residents, including those who may not seek support.

LSS uses a Trauma Informed Care approach. For seniors who may have been living on the streets for most of their adult lives – and often their childhoods –trauma is deep seated, and the survival skills they have developed often do not effectively translate once they are housed. Basic life skills, such as cooking and how to care for their apartments, can provide significant challenges. Group activities such as cooking classes and sharing art projects and celebrations are often the first step in acquiring new life skills.

In addition to individual outreach for needs assessment and support, Services staff provide or arrange for the provision of support groups, workshops or presentations on issues that are relevant to residents. For many seniors, their ability to attend events in the community may be limited by language barriers, a fear of being vulnerable to harm in the community, or lack of transportation. By bringing resources on site, most of these barriers can be removed, facilitating participation. In addition, LSS can provide translation services at all community meetings and events, as needed. At Mosaica Family and Senior Apartments, all community events have Spanish, Cantonese and English translations. At Polk St. Senior Apartments over 50% of the residents are mono-lingual Chinese speaking. LSS works to recruit staff with the necessary language capacity to provide effective programs and services, regardless of the demographic, cultural or linguistic make-up of a property.

Relationship with Property Management: LSS works to provide a services rich program environment within all of the housing sites we serve. Behavior related lease violations in the sites we serve are minimal, and housing retention and stability rates are consistently over 90%. We attribute these outcomes of maintaining a safe and stable housing to the strong community building activities and on-site access to crisis support that our staff provide in cooperation with Property Management. Support Services Staff work closely with Property Management to resolve concerns and issues

that arise between tenants and Property Management in an effort to be proactive in supporting residents. On-site services staff meet weekly with Property Management to review any notices, lease violations and/or community concerns.

Most often, residents at the properties where we work face lease violations for financial challenges in rent payment. By connecting residents with resources available through CBO's that advocate for tenants, most violations can be resolved with payment plans and other structured responses.

Our key objective is tenant housing stability. This goal is achieved by proactive engagement with residents on a number of levels. Many of the residents coming to 735 Davis will most likely have been marginally housed or unhoused for a number of years. For many residents, especially those with language and cultural barriers, this often means that they are not familiar with resources available in the community to assist them in maintaining housing. Providing culturally competent and consistent outreach and engagement opportunities is the first step in overcoming these barriers.

STAFFING

The cornerstone of the services plan is tied to BRIDGE and Lutheran Social Services creating, maintaining and developing new partnerships with local, culturally competent service providers. The specific services to be provided by each organization will be described through a formal MOU between LSS, BRIDGE and partners with clearly defined, specific goals, objectives, activities and timelines.

Staff, Service Providers and Their Roles		
Staff	Organization	Description of Services
Program Manager	LSS	Oversees all services onsite, Supervises on-site staff, creates and coordinates partnerships; Over sees Contract reporting
Program Coordinator		Primary Contact with Property Management through weekly meetings; Intake and Assessment; Coordinates the delivery of services and programs; provides supportive services links and community programs; Mediation and Advocacy with Property Management
Senior Services Case Manager – bilingual	LSS	Individual Outreach, Case Management , Benefits Advocacy and Assistance, Information and Referrals, Tenant Activities, Rental Assistance Referrals
Deputy Director	LSS	Oversees all LSS Staff and services, primary responsibility for contract and budget management

Attachment M: Commercial Financing Plan and Organizational Diagram

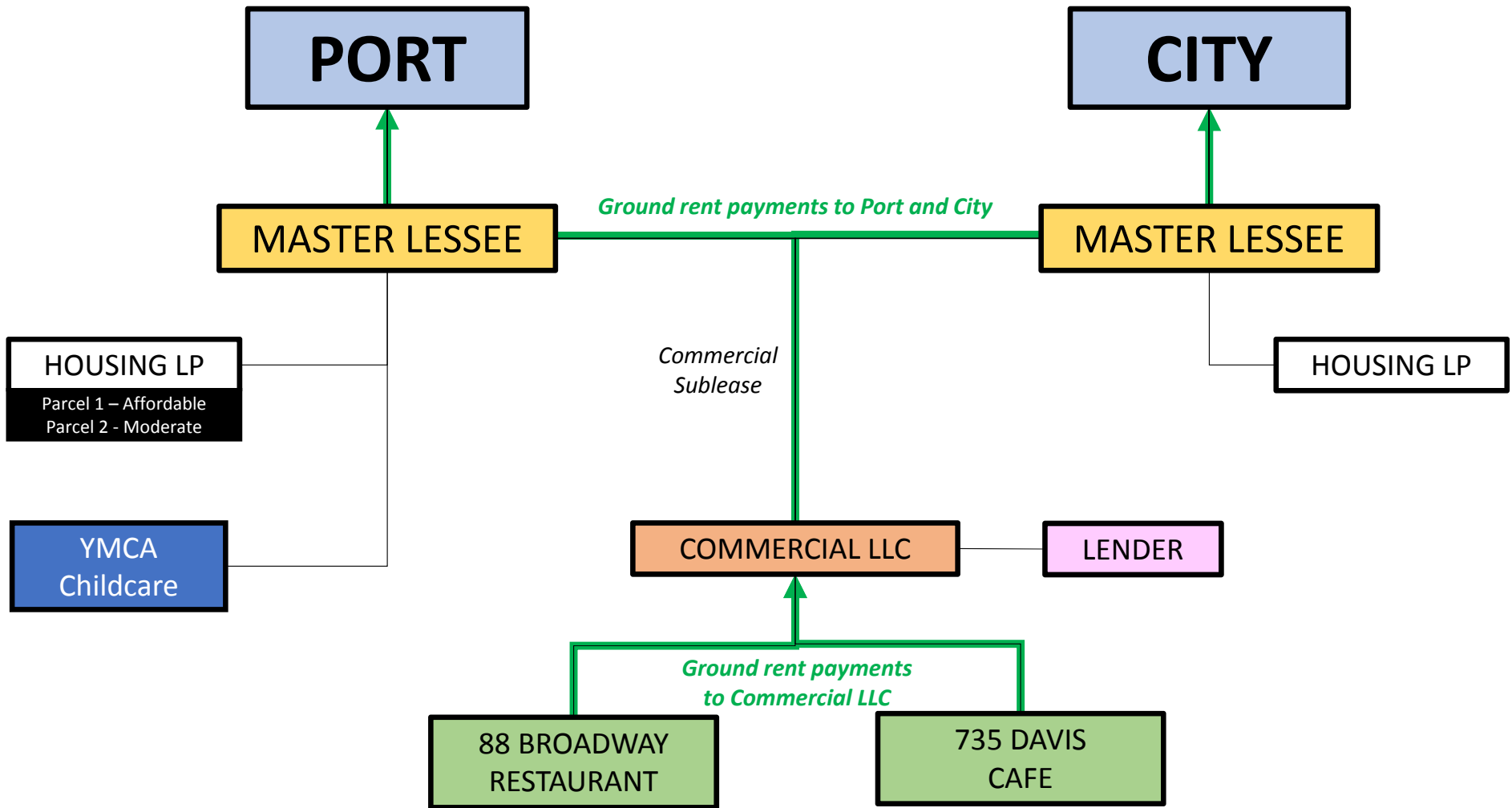
88 Broadway/735 Davis**Sources and Uses****1/2/2019**

	<u>88 Broadway</u>	<u>735 Davis</u>	<u>Total</u>
SOURCES CONSTRUCTION			
MOHCD Gap Loan	\$ 1,847,063	\$ 487,598	\$ 2,334,661
Deferred Comm Fee	\$ 267,942	\$ 44,229	\$ 312,171
Deferred Interest	\$ 5,864		\$ 5,864
	<u>\$ 2,120,869</u>	<u>\$ 531,827</u>	<u>\$ 2,652,696</u>

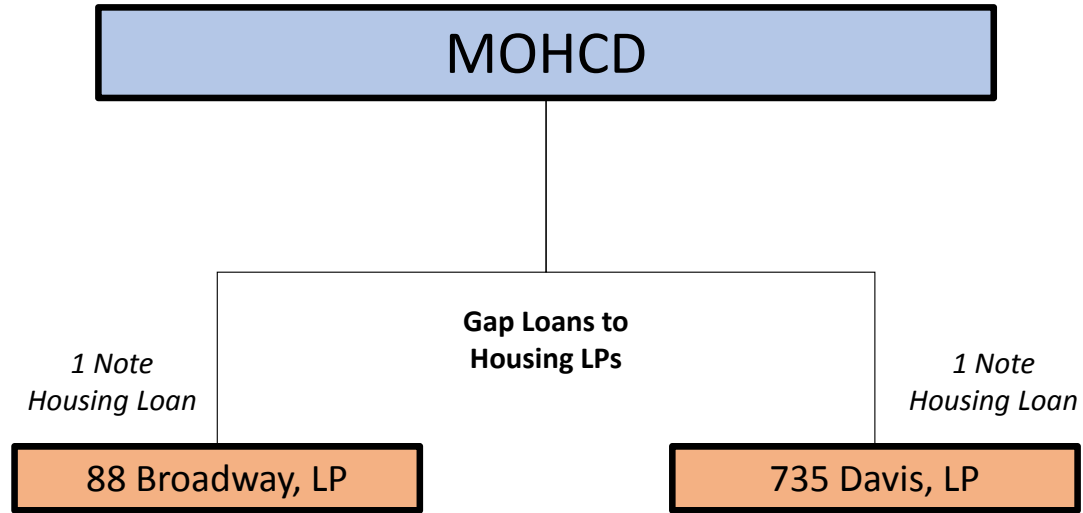
	per sf		per sf		
USES CONSTRUCTION					
Cold Shell Construction Cost	\$ 132	\$ 560,666	\$ 155	\$ 195,851	\$ 756,517
Warm Shell Costs	\$ 196	\$ 833,420	\$ 153	\$ 192,453	\$ 1,025,873
GC Overhead & Profit		\$ 19,797		\$ 7,432	\$ 27,229
GC Contingency & Escalation		\$ 17,570		\$ 10,671	\$ 28,241
GC General Requirements		\$ 25,000		\$ 20,000	\$ 45,000
GC Insurance and Bond		\$ 9,560		\$ 3,588	\$ 13,148
Owner Contingency & Escalation		\$ 44,282		\$ 16,624	\$ 60,906
Architecture		\$ 70,459		\$ 13,536	\$ 83,995
Permits and Fees		\$ 43,584		\$ 6,800	\$ 50,384
Environmental/ Geotech Reports		\$ 8,150		\$ 3,588	\$ 11,738
Soft Costs		\$ 68,339		\$ 3,892	\$ 72,231
Soft Cost Contingency		\$ 17,050		\$ 3,418	\$ 20,468
Insurance During Construction		\$ 21,474		\$ 2,901	\$ 24,375
Construction Loan Interest		\$ 107,712		\$ 6,844	\$ 114,556
Deferred Interest		\$ 5,864		\$ -	\$ 5,864
Commercial Fee Inc in Transfer Price		\$ 267,942		\$ 44,229	\$ 312,171
TOTAL USES		<u>\$ 2,120,869</u>		<u>\$ 531,827</u>	<u>\$ 2,652,696</u>

SOURCES PERM			
Commercial Loan			\$ 2,401,864
Bal of MOHCD Loan (50% surplus cash)			\$ 107,797
Deferred Interest			\$ 5,864
Deferred Commercial Dev Fee			\$ 600,000
TOTAL SOURCES			<u>\$ 3,115,525</u>

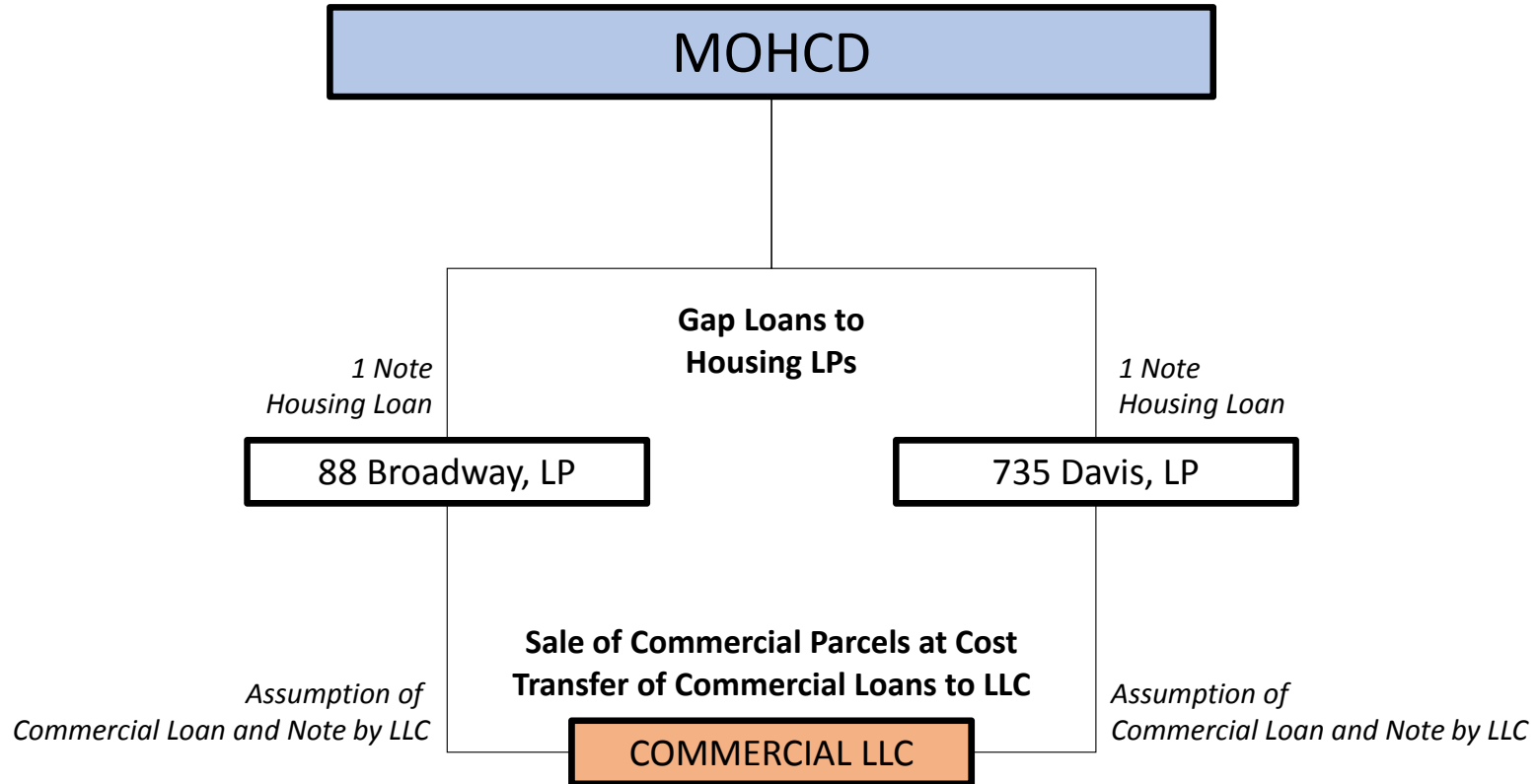
USES PERM			
Up Front Reserve	\$ 125,000	\$ 50,000	\$ 175,000
Repayment of Comm MOHCD Loan	\$ 1,847,063	\$ 487,598	\$ 2,334,661
Deferred Interest	\$ 5,864	\$ -	\$ 5,864
Comm Dev Fee	\$ 450,000	\$ 150,000	\$ 600,000
TOTAL USES	<u>\$ 2,427,927</u>	<u>\$ 687,598</u>	<u>\$ 3,115,525</u>



**PROPOSED MOHCD LOAN STRUCTURE
BEFORE SUBDIVISION**



**PROPOSED MOHCD LOAN STRUCTURE
AFTER SUBDIVISION**



735 DAVIS – NEW COMMERCIAL LOAN
88 BROADWAY – NEW COMMERCIAL LOAN
LOAN COMMITTEE: FEBRUARY 16, 2024

Attachment B – 88 Broadway Updated Development Budget

Application Date: # Commercial Spaces: 1
 Project Name:
 Project Address:
 Project Sponsor:

COMMERCIAL SPACE	Space 1	Space 2	Space 3	Space 4	Space 5	%age Total Building Costs in Commercial Budget
Commercial Use - Description	Restaurant					
Gross SF	4617					4,617
Total Commercial SF						

SOURCES	1,746,144	1,670,166	-	-	-	3,416,310	Comments
Name of Sources:	Original Money Spent	New Money					

USES							
ACQUISITION							
Acquisition cost or value							0
Legal / Closing costs / Broker's Fee							0
Holding Costs							0
Transfer Tax							0
TOTAL ACQUISITION	0	0	0	0	0	0	0

CONSTRUCTION (HARD COSTS)							
Unit Construction/Rehab							0
Commercial Warm Shell Construction		958,888				958,888	See MOHCD Commercial Underwriting Guidelines: http://sfmohcd.org/documents-reports-and-forms
Commercial Cold Shell Construction	1,552,346					1,552,346	Cost cert
Demolition		11,783				11,783	Warm shell only
Environmental Remediation							0
Onsite Improvements/Landscaping		50,000				50,000	Tenant Improvements
Offsite Improvements							0
Infrastructure Improvements							0
Parking							0
GC Bond Premium/GC Insurance/GC Taxes		61,109				61,109	Warm shell only (includes GC contingency of \$22,123)
GC Overhead & Profit		67,498				67,498	Warm shell only
CG General Conditions		135,495				135,495	Warm shell only
<i>Sub-total Construction Costs</i>	<i>1,552,346</i>	<i>1,284,773</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>2,837,119</i>	
Design Contingency (remove at DD)							0.0%
Bid Contingency (remove at bid)							0.0%
Plan Check Contingency (remove/reduce during Plan Review)							0.0%
Hard Cost Construction Contingency		98,782				98,782	Warm shell only
<i>Sub-total Construction Contingencies</i>	<i>0</i>	<i>98,782</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>98,782</i>	<i>3.5%</i>
TOTAL CONSTRUCTION COSTS	1,552,346	1,383,555	0	0	0	2,935,901	

SOFT COSTS							
Architecture & Design		81,645				81,645	Warm shell only
Architect design fees		81,645				81,645	
Architecture design fees for Schematic Drawings for tenant-paid tenant improvements							0
Design Subconsultants to the Architect (Incl. Fees)							0
Architect Construction Admin							0
Reimbursables							0
Additional Services							0
<i>Sub-total Architect Contract</i>	<i>0</i>	<i>81,645</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>81,645</i>	
Other Third Party design consultants (not included under Architect contract)							0
Total Architecture & Design	0	81,645	0	0	0	81,645	
Engineering & Environmental Studies							
Survey							0
Geotechnical studies							0
Phase I & II Reports							0
CEQA / Environmental Review consultants							0
NEPA / 106 Review							0
CNA/PNA (rehab only)							0
Other environmental consultants							0
Total Engineering & Environmental Studies	0	0	0	0	0	0	Name consultants & contract amounts
Financing Costs							
Construction Financing Costs							
Construction Loan Origination Fee							0
Construction Loan Interest							0
Title & Recording							0
CDLAC & CDJAC fees							0
Bond Issuer Fees							0
Other Bond Cost of Issuance							0
Other Lender Costs (specify)							0
<i>Sub-total Const. Financing Costs</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	
Permanent Financing Costs							
Permanent Loan Origination Fee							0
Credit Enhance. & Appl. Fee							0
Title & Recording							0
Commercial Loan Origination Fee							0
<i>Sub-total Perm. Financing Costs</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	
Total Financing Costs	0	0	0	0	0	0	
Legal Costs							
Borrower Legal fees							0
Land Use / CEQA Attorney fees							0
Tax Credit Counsel							0
Bond Counsel							0
Construction Lender Counsel							0
Permanent Lender Counsel							0
Other Legal (specify)							0
Total Legal Costs	0	0	0	0	0	0	
Other Development Costs							
Appraisal							0
Market Study							0
Insurance		30,695				30,695	Warm shell only
Property Taxes							0
Accounting / Audit							0
Organizational Costs							0
Entitlement / Permit Fees		8,008				8,008	Warm shell only
Marketing / Lease-up							0
Furnishings							0
PGE / Utility Fees							0
TCAC App / Alloc / Monitor Fees							0
Financial Consultant fees							0
Construction Management fees / Owner's Rep							0
Security during Construction							0
Relocation							0
Commercial Broker Fees		116,592				116,592	Warm shell only
Other (specify)							0
Other (specify)							0
Total Other Development Costs	0	155,295	0	0	0	155,295	
Soft Cost Contingency							
Contingency (Arch, Eng, Fin, Legal & Other Dev)		16,501				16,501	Warm shell only
TOTAL SOFT COSTS	0	253,441	0	0	0	253,441	7.9%

RESERVES							
Operating Reserves							0
Replacement Reserves							0
Tenant Improvements Reserves							0
Commercial Lease-Up Reserves		33,170				33,170	Warm shell only
Other (specify)							0
TOTAL RESERVES	0	33,170	0	0	0	33,170	

DEVELOPER COSTS							
Commercial Developer Fee - Cash-out Paid at Milestone		193,798				193,798	SFA - this is from the Cost certn, but includes the child care
Other (specify)							0
Other (specify)							0
TOTAL DEVELOPER COSTS	193,798	0	0	0	0	193,798	

TOTAL DEVELOPMENT COST	1,746,144	1,670,166	0	0	0	3,416,310	
Development Cost/SF by Source	378						
Development Cost/Unit as % of TDC by Source							

Acquisition Cost/SF by Source	0					0	
Construction Cost (inc Const Contingency)/SF By Source	336						
Construction Cost (inc Const Contingency)/SF	336.22						

Commercial Loan Amount:	N/A
Commercial Loan Term (in years):	N/A
Commercial Interest Rate (as %):	N/A

735 DAVIS – NEW COMMERCIAL LOAN
88 BROADWAY – NEW COMMERCIAL LOAN
LOAN COMMITTEE: FEBRUARY 16, 2024

Attachment C – 88 Broadway Updated Commercial Operating Budget

Drop down menu to the right controls how much Net Commercial Revenue is contributed to the Residential Operating Budget. (100% is default, select another choice only if allowed by MOHCD policy.)

100%

Total # Units:		Business Year	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
COMMERCIAL INCOME	% annual increase	Comments																
Commercial Space 1	2.5%	Base rent \$4.0/sf * 4,634 sf	222,432	227,993	233,693	239,535	245,523	251,661	257,953	264,402	271,012	277,787	284,732	291,850	299,146	306,625	314,291	
Commercial Space 2	2.5%																	
Commercial Space 3	2.5%																	
Commercial Space 4	2.5%																	
Commercial Space 5	2.5%																	
Other Commercial Income	3.5%	CAWR charges: reimbursement for prop taxes, management fee, asset mgt, legal & accounting fees and payroll (maintenance/janitor, repairs & misc payroll) paid by LLC. See Tab 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income			222,432	227,993	233,693	239,535	245,523	251,661	257,953	264,402	271,012	277,787	284,732	291,850	299,146	306,625	314,291	
Rent/SF/Month:			\$4.00	\$4.10	\$4.20	\$4.31	\$4.42	\$4.53	\$4.64	\$4.75	\$4.87	\$5.00	\$5.12	\$5.25	\$5.38	\$5.51	\$5.65	

Vacancy Loss - Commercial	n/a	First Year assumes 50%; 20% in year of lease renewal (assumes 6 year lease terms)	(111,216)	-	-	-	-	-	(51,591)	-	-	-	-	-	(59,829)	-	-	-
EFFECTIVE GROSS INCOME			111,216	227,993	233,693	239,535	245,523	251,661	206,362	264,402	271,012	277,787	284,732	291,850	239,317	306,625	314,291	

COMMERCIAL OPERATING EXPENSES

Management

Commercial Management Fee	3.5%	Mgt Fee equal to 3.5% of EGI every year	3,893	7,980	8,179	8,384	8,593	8,808	7,223	9,254	9,485	9,723	9,966	10,215	8,376	10,732	11,000	
Sub-total Management Expenses			3,893	7,980	8,179	8,384	8,593	8,808	7,223	9,254	9,485	9,723	9,966	10,215	8,376	10,732	11,000	

Utilities

Electricity	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gas	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sewer	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total Utilities			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Taxes and Licenses

Real Estate Taxes	2.0%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll Taxes	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Taxes, Licenses and Permits	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total Taxes and Licenses			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Insurance

Property and Liability Insurance	3.5%	North Beach Place comps - Sponsors insurance requirement	2,317	2,398	2,482	2,569	2,659	2,752	2,848	2,948	3,051	3,158	3,268	3,383	3,501	3,624	3,751	
Fidelity Bond Insurance	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Director's & Officers' Liability Insurance	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total Insurance			2,317	2,398	2,482	2,569	2,659	2,752	2,848	2,948	3,051	3,158	3,268	3,383	3,501	3,624	3,751	

Maintenance & Repair

Payroll	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracts	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Garbage and Trash Removal	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security Payroll/Contract	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total Maintenance & Repair Expenses			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Reserves/Ground Lease Base Rent/Bond Fees

Replacement Reserve Deposit	\$0.20/sf/year		927	927	927	927	927	927	927	927	927	927	927	927	927	927	927	927
Operating Reserve Deposit	trended at 2%		2,500	2,550	2,601	2,653	2,706	2,760	2,815	2,872	2,929	2,988	3,047	3,108	3,171	3,234	3,299	
Other Required Reserve 1 Deposit	Reserve for future commissions sized at 6% of residential EGI. Assume office lease term 6 years and commissions= 6% of lease revenue over term of lease		8,008	8,208	8,413	8,623	8,839	9,060	9,286	9,518	9,756	10,000	10,250	10,507	10,769	11,038	11,314	
Other Required Reserve 2 Deposit																		
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			11,434	11,685	11,941	12,203	12,472	12,747	13,029	13,317	13,612	13,915	14,225	14,542	14,867	15,199	15,540	

TOTAL COMMERCIAL OPERATING EXPENSES

			17,644	22,062	22,602	23,156	23,724	24,307	23,099	25,519	26,149	26,795	27,459	28,139	26,744	29,555	30,291	
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NET OPERATING INCOME (INCOME minus OP EXPENSES)

			93,572	205,930	211,091	216,379	221,799	227,355	183,263	238,883	244,863	250,992	257,273	263,711	212,573	277,070	284,000	
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DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)

Hard Debt - First Lender	Loan pymt (67% MOHCD/33% Sponsor) Paid annually		62,693	137,973	141,431	144,974	148,606	152,328	122,786	160,052	164,058	168,165	172,373	176,686	142,424	185,637	190,280	
Hard Debt - Second Lender																		
Hard Debt - Third Lender																		
Hard Debt - Fourth Lender																		

Attachment D – 88 Broadway Commercial Schedule

II. Performance Milestone	Due Date (xx/x/xx)	Notes
Prop I Notice (if applicable) – POSTING 30 DAYS BEFORE MYR SIGNS LOAN	N/A	
Communication Plan	N/A	
State of CA Good Standing Evidence	3/15/24	
Commercial Loan		
Commercial Financing Loan Committee	3/16/24	
Submit to BOS	N/A	
BOS Intro	N/A	
Committee Meeting	N/A	
BOS Approval	N/A	
Execution of Commercial Docs	5/15/24	
Architect		
General Contractor	Done	Nibbi Brothers
Owner’s Representative	N/A	Sponsor will work closely with the GC and MOHCD Construction Rep
Design	Done	LMSa
Submittal of Schematic Design & Cost Estimate		
Submittal of Design Development & Cost Estimate	1/19/24	
Submittal of 50% CD Set & Cost Estimate	1/19/24	
Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	3/19/24	
Draft Commercial Space Plan Submission		
LOI/s Executed	TBD	
Leases Due Date	TBD	
Enviro Review/Land-Use Entitlements	Done	
Planning Application Submission	SB35	Type of approval (i.e., SB35, AB2162)
CEQA Enviro Review Submission		

735 DAVIS – NEW COMMERCIAL LOAN
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NEPA Enviro Review Submission	Done	
CUP/PUD/Variances Submission	N/A	
PUC/PG&E	Done	
Building / Site Permit Application Submitted	Done	Permit approved 6-22-23
Addendum #1 Submitted	N/A	
Construction Loan Closing	45/1/24	
Construction Start	5/1/24	
Notice to Proceed	5/1/24	
Marketing/Rent-up		The sponsor has been working with Maven, a commercial real estate agency since the project's inception in 2016. While an exact timeframe for lease-up of the commercial space is difficult to predict, once the proposed commercial space buildout is completed, Maven is optimistic the space can be leased within 9-12 months.
Marketing Plan Submission	N/A	
Conversion of Construction Loan to Permanent Financing	N/A	
TCO	11/15/24	

735 DAVIS – NEW COMMERCIAL LOAN
88 BROADWAY – NEW COMMERCIAL LOAN
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Attachment E – 735 Davis Updated Development Budget

Application Date: # Commercial Spaces: 1
 Project Name:
 Project Address:
 Project Sponsor:

COMMERCIAL SPACE	Commercial Use - Description	Space 1	Space 2	Space 3	Space 4	Space 5	%age Total Building Costs in Commercial Budget
	Cafe	1178					1,178
	Gross SF						Total Commercial SF

SOURCES	Name of Sources:	Original Money Spent	New Money				Total Sources	Comments
		386,581	1,028,953	-	-	-	1,415,534	

USES	Acquisition cost or value						
	Legal / Closing costs / Broker's Fee						0
	Holding Costs						0
	Transfer Tax						0
	TOTAL ACQUISITION	0	0	0	0	0	0

CONSTRUCTION (HARD COSTS)								
Unit Construction/Rehab							0	
Commercial Warm Shell Construction		462,878					462,878	See MOHCD Commercial Underwriting Guidelines: http://sfmohcd.org/documents-reports-and-forms
Commercial Cold Shell Construction	347,727						347,727	Cost cert
Demolition		2,091					2,091	Warm shell only
Environmental Remediation							0	
Onsite Improvements/Landscaping		196,081					196,081	Tenant Improvements (inc GC overhead & profit)
Offsite Improvements							0	
Infrastructure Improvements							0	
Parking							0	
GC Bond Premium/GC Insurance/GC Taxes		32,721					32,721	Warm shell only (includes GC contingency)
GC Overhead & Profit		34,986					34,986	Warm shell only
GC General Conditions		108,397					108,397	Warm shell only
	<i>Sub-total Construction Costs</i>	<i>347,727</i>	<i>837,154</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>1,184,881</i>	
Design Contingency (remove at DD)							0	0.0%
Bid Contingency (remove at bid)							0	0.0%
Plan Check Contingency (remove/reduce during Plan Review)							0	0.0%
Hard Cost Construction Contingency		67,147					67,147	Warm shell only
	<i>Sub-total Construction Contingencies</i>	<i>0</i>	<i>67,147</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>67,147</i>	<i>5.7%</i>
	TOTAL CONSTRUCTION COSTS	347,727	904,301	0	0	0	1,252,028	

SOFT COSTS	Architecture & Design							
	Architect design fees		43,962				43,962	Warm shell only
	Architecture design fees for Schematic Drawings for tenant-paid tenant improvements						0	
	Design Subconsultants to the Architect (Incl. Fees)						0	
	Architect Construction Admin						0	
	Reimbursables						0	
	Additional Services						0	
	<i>Sub-total Architect Contract</i>	<i>0</i>	<i>43,962</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>43,962</i>	
	Other Third Party design consultants (not included under Architect contract)						0	
	Total Architecture & Design	0	43,962	0	0	0	43,962	

Engineering & Environmental Studies								
Survey							0	
Geotechnical studies							0	
Phase I & II Reports							0	
CEQA / Environmental Review consultants							0	
NEPA / 106 Review							0	
CNA/PNA (rehab only)							0	
Other environmental consultants							0	Name consultants & contract amounts
	Total Engineering & Environmental Studies	0	0	0	0	0	0	

Financing Costs	Construction Financing Costs						
	Construction Loan Origination Fee						0
	Construction Loan Interest						0
	Title & Recording						0
	CDLAC & CDJAC fees						0
	Bond Issuer Fees						0
	Other Bond Cost of Issuance						0
	Other Lender Costs (specify)						0
	<i>Sub-total Const. Financing Costs</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
	Permanent Financing Costs	0	0	0	0	0	0
	Permanent Loan Origination Fee						0
	Credit Enhance. & Appl. Fee						0
	Title & Recording						0
	Commercial Loan Origination Fee						0
	<i>Sub-total Perm. Financing Costs</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
	Total Financing Costs	0	0	0	0	0	0

Legal Costs							
Borrower Legal fees							0
Land Use / CEQA Attorney fees							0
Tax Credit Counsel							0
Bond Counsel							0
Construction Lender Counsel							0
Permanent Lender Counsel							0
Other Legal (specify)							0
	Total Legal Costs	0	0	0	0	0	0

Other Development Costs								
Appraisal							0	
Market Study							0	
Insurance		21,498					21,498	Warm shell only
Property Taxes							0	
Accounting / Audit							0	
Organizational Costs							0	
Entitlement / Permit Fees		4,312					4,312	Warm shell only
Marketing / Lease-up							0	
Furnishings							0	
PGE / Utility Fees							0	
TCAC App / Alloc / Monitor Fees							0	
Financial Consultant fees							0	
Construction Management fees / Owner's Rep							0	
Security during Construction							0	
Relocation							0	
Commercial Broker Commissions		29,638					29,638	Warm shell only
Other (specify)							0	
Other (specify)							0	
	Total Other Development Costs	0	55,448	0	0	0	55,448	

Soft Cost Contingency								
Contingency (Arch, Eng, Fin, Legal & Other Dev)		9,352					9,352	Warm shell only
	TOTAL SOFT COSTS	0	108,762	0	0	0	108,762	9.4%

RESERVES								
Operating Reserves							0	
Replacement Reserves							0	
Tenant Improvements Reserves							0	
Commercial Lease-Up Reserves		15,890					15,890	Warm shell only
Other (specify)							0	
	TOTAL RESERVES	0	15,890	0	0	0	15,890	

DEVELOPER COSTS								
Commercial Developer Fee - Cash-out Paid at Milestone:	38,854	0					38,854	SFA ADDED PER COST CERT
Other (specify)							0	
Other (specify)							0	
	TOTAL DEVELOPER COSTS	38,854	0	0	0	0	38,854	

TOTAL DEVELOPMENT COST							
Development Cost/SF by Source	328						
Development Cost/Unit as % of TDC by Source							
Acquisition Cost/SF by Source	0						0
Construction Cost (inc Const Contingency)/SF By Source	295						
Construction Cost (inc Const Contingency)/SF	295.18						

Commercial Loan Amount: N/A
 Commercial Loan Term (in years): N/A
 Commercial Interest Rate (as %): N/A

735 DAVIS – NEW COMMERCIAL LOAN
88 BROADWAY – NEW COMMERCIAL LOAN
LOAN COMMITTEE: FEBRUARY 16, 2024

Attachment F – 735 Davis Updated Commercial Operating Budget

Drop down menu to the right controls how much Net Commercial Revenue is contributed to the Residential Operating Budget. (100% is default, select another choice only if allowed by MOHCD policy.)

100%

Total # Units:		Business Year	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
COMMERCIAL INCOME	% annual increase	Comments																
Commercial Space 1	2.5%	Base rent \$4.0/sf * 1,178 sf	56,544	57,958	59,407	60,892	62,414	63,974	65,574	67,213	68,893	70,616	72,381	74,191	76,045	77,947	79,895	
Commercial Space 2	2.5%																	
Commercial Space 3	2.5%																	
Commercial Space 4	2.5%																	
Commercial Space 5	2.5%																	
Other Commercial Income	3.5%		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Potential Income			56,544	57,958	59,407	60,892	62,414	63,974	65,574	67,213	68,893	70,616	72,381	74,191	76,045	77,947	79,895	
Rent/SF/Month:			\$4.00	\$4.10	\$4.20	\$4.31	\$4.42	\$4.53	\$4.64	\$4.75	\$4.87	\$5.00	\$5.12	\$5.25	\$5.38	\$5.51	\$5.65	

Vacancy Loss - Commercial	n/a	First Year assumes 50%; 20% in year lease renewal (assume 6 year lease terms)	(28,272)	(11,592)					(13,115)						(15,209)			
EFFECTIVE GROSS INCOME			28,272	46,366	59,407	60,892	62,414	63,974	52,459	67,213	68,893	70,616	72,381	74,191	60,836	77,947	79,895	

COMMERCIAL OPERATING EXPENSES

Management

Commercial Management Fee	3.5%	Mgt Fee equal to 3.5% of EGI of Year 2 residential EGI (20% vacancy)	990	1,623	2,079	2,131	2,184	2,239	1,836	2,352	2,411	2,472	2,533	2,597	2,129	2,728	2,796	
Sub-total Management Expenses			990	1,623	2,079	2,131	2,184	2,239	1,836	2,352	2,411	2,472	2,533	2,597	2,129	2,728	2,796	

Utilities

Electricity	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gas	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sewer	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total Utilities			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Taxes and Licenses

Real Estate Taxes	2.0%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll Taxes	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Taxes, Licenses and Permits	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total Taxes and Licenses			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Insurance

Property and Liability Insurance	3.5%	North Beach Place comps - Sponsors insurance requirement	589	610	631	653	676	700	724	749	776	803	831	860	890	921	953	
Fidelity Bond Insurance	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Worker's Compensation	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Director's & Officers' Liability Insurance	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total Insurance			589	610	631	653	676	700	724	749	776	803	831	860	890	921	953	

Maintenance & Repair

Payroll	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracts	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Garbage and Trash Removal	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security Payroll/Contract	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HVAC Repairs and Maintenance	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle and Maintenance Equipment Operation and Repairs	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Operating and Maintenance Expenses	3.5%			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total Maintenance & Repair Expenses			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Reserves/Ground Lease Base Rent/Bond Fees

Replacement Reserve Deposit	\$0.20/sf/year		236	236	236	236	236	236	236	236	236	236	236	236	236	236	236	236
Operating Reserve Deposit	trended at 2%		2,500	2,550	2,601	2,653	2,706	2,760	2,815	2,872	2,929	2,988	3,047	3,108	3,171	3,234	3,299	
Other Required Reserve 1 Deposit	Reserve for future commissions sized at 6% of residential EGI. Assume office lease term 6 years and commissions= .06% of lease revenue over term of lease		2,036	2,086	2,139	2,192	2,247	2,303	2,361	2,420	2,480	2,542	2,606	2,671	2,738	2,806	2,876	
Other Required Reserve 2 Deposit																		
Sub-total Reserves/Ground Lease Base Rent/Bond Fees			4,771	4,872	4,975	5,081	5,189	5,299	5,412	5,527	5,645	5,765	5,889	6,015	6,144	6,276	6,411	

TOTAL COMMERCIAL OPERATING EXPENSES

TOTAL COMMERCIAL OPERATING EXPENSES			6,350	7,105	7,685	7,865	8,049	8,238	7,972	8,629	8,832	9,040	9,253	9,471	9,163	9,925	10,160	
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NET OPERATING INCOME (INCOME minus OP EXPENSES)

NET OPERATING INCOME (INCOME minus OP EXPENSES)			21,922	39,262	51,721	53,027	54,365	55,737	44,487	58,584	60,062	61,576	63,128	64,719	51,673	68,022	69,735	
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DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)

Hard Debt - First Lender	Loan pymt (67% MOHCD/33% Sponsor) Paid annually		14,688	26,305	34,653	35,528	36,425	37,344	29,806	39,251	40,241	41,256	42,296	43,362	34,621	45,574	46,722	
Hard Debt - Second Lender																		
Hard Debt - Third Lender																		
Hard Debt - Fourth Lender																		
TOTAL HARD DEBT SERVICE			14,688	26,305	34,653	35,528	36,425	37,344	29,806	39,251	40,241	41,256	42,296	43,362	34,621	45,574	46,722	

Attachment G – 735 Davis Commercial Schedule

III. Performance Milestone	Due Date (xx/x/xx)	Notes
Prop I Notice (if applicable) – POSTING 30 DAYS BEFORE MYR SIGNS LOAN	N/A	
Communication Plan	N/A	
State of CA Good Standing Evidence	3/15/24	
Commercial Loan		
Commercial Financing Loan Committee	3/16/24	
Submit to BOS	N/A	
BOS Intro	N/A	
Committee Meeting	N/A	
BOS Approval	N/A	
Execution of Commercial Docs	5/15/24	
Architect		
General Contractor	Done	Nibbi Bros
Owner’s Representative	N/A	Sponsor will work closely with the GC and MOHCD Construction Rep
Design	Done	
Submittal of Schematic Design & Cost Estimate		
Submittal of Design Development & Cost Estimate	1/19/24	
Submittal of 50% CD Set & Cost Estimate	1/19/24	
Submittal of Pre-Bid Set & Cost Estimate (75%-80% CDs)	3/19/24	
Draft Commercial Space Plan Submission		
LOI/s Executed	TBD	
Leases Due Date	TBD	
Enviro Review/Land-Use Entitlements	Done	
Planning Application Submission	SB35	Type of approval (i.e., SB35, AB2162)
CEQA Enviro Review Submission		

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Addendum #1 Submitted	N/A	
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Construction Start	5/1/24	
Notice to Proceed	5/1/24	
Marketing/Rent-up	TBD	The sponsor has been working with Maven, a commercial real estate agency since the project's inception in 2016. While an exact timeframe for lease-up of the commercial space is difficult to predict, once the proposed commercial space buildout is completed, Maven is optimistic the space can be leased within 9-12 months.
Marketing Plan Submission	N/A	
Conversion of Construction Loan to Permanent Financing	N/A	
TCO	11/15/24	