

San Francisco 2015 Affordable Housing General Obligation Bond



CGOBOC Report June 2017



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Affordable Housing Bond – Overview

History of Bond Approval

In November 2015, the Affordable Housing General Obligation Bond (Bond) was passed by voters with the goal of helping to make San Francisco a more affordable place for residents to live. The Bond was proposed by Mayor Lee and San Francisco Board of Supervisors and approved by 74% of voters in the November 2015 election. The Bond is a component of the Mayor’s plan to construct 30,000 new and rehabilitated homes throughout the City by 2020, with half available for low and middle income San Franciscans.



GO Bond Investment Categories

Program Categories	GO Bond
Public Housing	\$80 Million
Low-Income Housing (up to 80% AMI)	\$100 Million
<i>set aside for Mission Area Plan Investments</i>	\$50 Million
Middle-Income Housing (121%-175% AMI)	\$80 Million
TOTAL	\$310 Million



Need for the Bond

The well-documented housing affordability gap that has arisen and expanded in the local housing market makes it a challenge for the City to ensure that economic diversity can be maintained. High housing costs inhibit healthy, balanced economic growth regionally when individuals and families are increasingly locked out of the local housing market and forced to leave the City and take on increasingly long employment commutes. In recent years, the impact of this affordability gap has expanded beyond low- and moderate-income households, which traditionally could benefit from some form of governmental assistance. Strong housing production and the availability of housing affordable to a broader range of households has become more important than ever. The speed at which affordable housing is produced is also critically relevant to meeting the growing need for affordable housing, and the City is combining Bond revenue with other housing fund sources to expedite production. The 2015 Affordable Housing Bond will help to address the affordability gap, as well as the destabilization that occurs when market pressures in specific neighborhoods result in driving long-time residents out of the City. Further, through prioritized spending, the 2015 Housing Bond will help the City to provide housing for the specific income categories identified in the Regional Housing Needs Assessment.



Overview of Allocations and Target Beneficiaries

The Bond will relieve housing market pressure by:

- Investing in neighborhoods to promote and preserve economic diversity;
- Developing and acquiring housing for a broad population, including families, seniors, transitional-aged youth, single working adults, veterans, disabled households, and income levels ranging from extremely low to moderate; and,
- Meeting the need through a range of activities, including new multi-family construction, acquisition of existing apartment buildings, and other efforts that will effectively increase the affordable housing supply.

The Bond targets several priority populations in order to serve the City's vulnerable residents and households at risk of displacement:

- Low-income working families
- Veterans
- Seniors
- Disabled individuals



Overview of how this bond is different from most other City GO bonds



With most General Obligation bonds, the City hires contractors to complete infrastructure improvements. For affordable housing, the City does not engage contractors directly or own the improvements directly. Rather, the City will make loans to developers who then hire contractors and own the improvements through Limited Liability Companies (LLCs). This approach allows projects to leverage outside investment, including Federal Low Income Housing Tax Credits. City loans help jump start development, as it is usually the least costly funding the project will receive. Loans to developers include affordability covenants to ensure that projects are affordable for the long-term.

The Bond will also fund down payment assistance loans to individual first-time homebuyers to purchase their homes. Individual loans are directly paid into escrow and a lien is recorded in the title. Downpayment assistance loans are repaid in full at time of sale with a proportional share of appreciation coming to the City in lieu of interest payments.

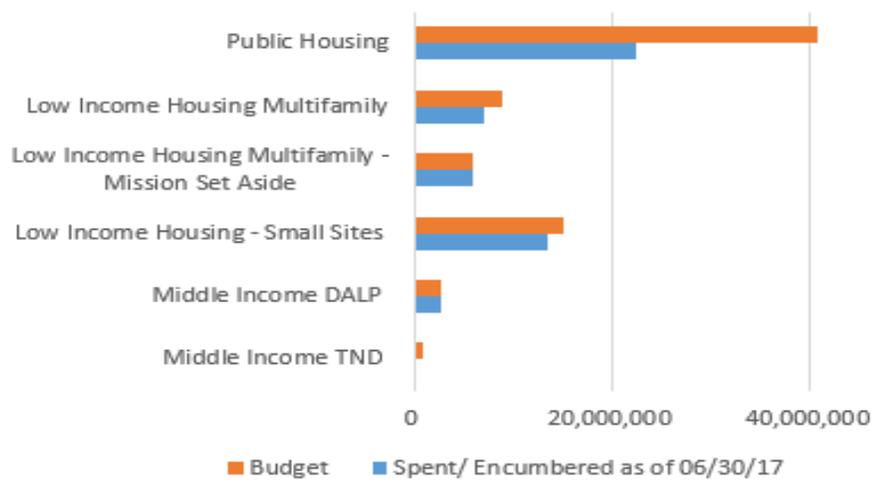
The Bond spending will occur in three major categories: Public Housing, Low-Income Housing (with a portion set aside specifically for the Mission neighborhood), and Middle-Income Housing.



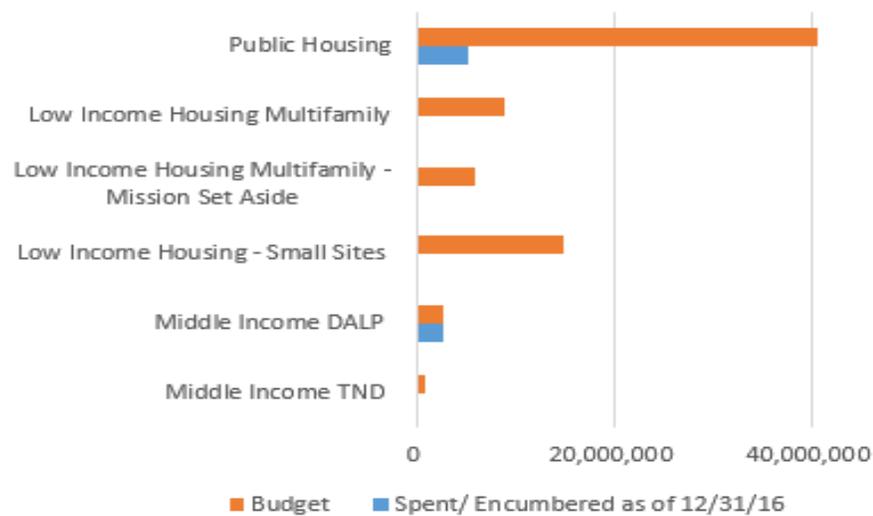
Key Highlights since last CGOBOC Report (December 2016)

- \$17MM in Public Housing Loans Agreement executed/ encumbered
- \$7MM in Low Income Multifamily Loan Agreements executed/ encumbered
- \$6MM in Mission Set Aside Loan Agreements executed/ encumbered
- \$13MM in Low Income Small Sites deals closed
- Middle Income Downpayment Assistance Loans (DALP) fully subscribed and 4 Teacher Next Door (TND) loans made

First Issuance Spending/ Encumbrance 06/30/17



First Issuance Spending/ Encumbrance 12/31/16



Investment in Public Housing

Public Housing in San Francisco – Overview of the Problems We are Trying to Solve

The majority of San Francisco's public housing stock, much of which was built over 60 years ago, was not designed to be occupied into the 21st Century. The City is now working on two programs to transform public housing – Rental Assistance Demonstration (RAD) and HOPE SF. Bond funds will be used for HOPE SF to accelerate the reconstruction and rehabilitation of distressed public housing, including infrastructure replacement. Bond funds will be spent on most the urgent capital needs and strive for creation of net new units where possible.

RAD and HOPE SF

RAD – RAD is a HUD program which allows housing authorities to permanently convert public housing sites to a different funding source. In San Francisco, the Housing Authority has transferred ownership and operations of over 3,500 units to private partners. These private partners have access to Low Income Housing Tax Credits and commercial debt which can be used to rehabilitate distressed units. As of October 2016, all RAD loans have closed and rehabilitation is well under way.

HOPE SF – HOPE SF is the revitalization of four of San Francisco's most severely distressed public housing sites by completing rebuilding them and creating thriving, mixed-income communities. The four public housing sites are Alice Griffith, Hunter's View, Potrero, and Sunnydale.

Note: Bond funds will only be used for two of the HOPE SF Sites – Sunnydale & Potrero. Bonds will not be used for RAD.

How Local Public Housing Investment Protects Existing Public Housing Residents

In HOPE SF, no existing residents will be displaced, and there will be no loss of public housing. Most residents will be relocated on-site while construction proceeds and new units are built. Any resident relocated off-site will have a right of return. And any permanent relocation off-site will be purely voluntary.



Project Status Summaries

Potrero Acceleration

EXISTING CONDITIONS



PROPOSED SITE PLAN



Potrero master plan

Project Highlights

Potrero Block X

Number of units	72
Total Bond Funding	\$38.7M
Total Development Cost	\$68.4M

Potrero Block B

Number of units	91
Total Bond Funding	\$38.7M
Total Development Cost	TBD

Project Update

- Block X Vertical loan agreement was executed in January 2017 and construction is over 7% complete. The change shown below in estimated completion date is due to reporting error in the December 2016 report.
- As of June 30, 2017 the Predevelopment Loan Agreement for Block B is being routed for signatures and expected to close by end of July. Slight changes in unit count is to be expected as plans are still being finalized.



Project Budget and Schedule – First Issuance

June 2017 (highlighted cells show changes from December 2016 report)

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - June 30, 2017	Balance	Est. First Encumbrance	Est. Completion
Potrero Block X Predev	72	2,251,586	2,251,586	2,251,586	-	Jul 2016	Nov 2018
Potrero Block X Vertical		14,148,414	15,441,507	15,441,507	-	Jan 2017	Nov 2018
Potrero Infrastructure Predev	N/A	1,200,000	Included above	-	N/A	Jan 2017	Nov 2018
Potrero Block B Predev	91	2,300,000	2,206,907	-	2,206,907	July 2017	TBD
<i>Potrero Subtotal</i>	163	19,900,000	19,900,000	17,693,093	2,206,907		

December 2016

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - December 31, 2016	Balance	Est. First Encumbrance	Est. Completion
Potrero Block X Predev	72	2,251,586	2,251,586	2,251,586	-	Jul 2016	Jul 2019
Potrero Block X Vertical		14,148,414	15,441,507	-	15,441,507	Jan 2017	Jul 2019
Potrero Infrastructure Predev	N/A	1,200,000	Included above	-	N/A	Jan 2017	Jul 2019
Potrero Block B Predev	94	2,300,000	2,206,907	-	2,206,907	Mar 2017	TBD
<i>Potrero Subtotal</i>	166	19,900,000	19,900,000	2,251,586	17,648,414		



Sunnydale Acceleration

EXISTING CONDITIONS



PROPOSED SITE PLAN



Sunnydale master plan

Project Highlights – Sunnydale Parcel Q and Blocks 6A & 6B

Number of units	226
Total Bond Funding	\$38.7M
Total Development Cost	\$54.8M

Project Update

- Since the predevelopment budget was approved by Loan Committee on April 2016, the Sponsor was able to decrease costs, significantly reducing MOHCD's contribution. The remainder of \$3,433,153 was provided to Block 6 for infrastructure.
- Sunnydale blocks 6A and 6B were originally proposed as two separate developments that would be built 6 months apart. Throughout the course of planning, it has become evident that there is a high need for the development to be built sooner, and as one project, which will help bring down costs. The remaining \$1,000,000 in predev was provided to Block 6 infrastructure.
- The Infrastructure Phase 1A-1 and 1A-2 is an 85,000 sq. ft. rectangular shaped area for the future new A Street, Center Street, pedestrian mews, and Blythdale Street. The Block 6 vertical development is located inside the rectangle, so that these four streets and mews provide frontage to the housing development.



Project Budget and Schedule – First Issuance

June 2017 (highlighted cells show changes from December 2016 report)

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - June 30, 2017	Balance	Est. First Encumbrance	Est. Completion
Sunnydale Master Planning	N/A	2,800,000	2,800,000	2,800,000	-	Jul 2016	Dec 2019
Sunnydale Parcel Q Predev	55	2,000,000	2,000,000	2,000,000	-	Nov 2016	Dec 2017
Sunnydale Parcel Q Vertical		10,900,000	7,466,847	-	7,466,847	Jun 2017	Jun 2020
Sunnydale 6A & 6B Predev	171	5,000,000	4,000,000	-	4,000,000	Jun 2017	Nov 2020
Sunnydale Block 6 Infrastructure Phase 1A-1 and 1A-2		-	4,433,153		4,433,153	Jun 2017	Oct 2021
<i>Sunnydale Subtotal</i>	226	20,700,000	20,700,000	4,800,000	15,900,000		

December 2016

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - December 31, 2016	Balance	Est. First Encumbrance	Est. Completion
Sunnydale Master Planning	N/A	2,800,000	2,800,000	1,000,000	1,800,000	July 2016	Jun 2017
Sunnydale Parcel Q Predev	55	2,000,000	2,000,000	2,000,000	-	Nov 2016	Dec 2019
Sunnydale Parcel Q Vertical		10,900,000	10,900,000	-	10,900,000	Jan 2017	Jun 2020
Sunnydale 6A & 6B Predev	187	5,000,000	5,000,000	-	5,000,000	Mar 2017	Mar 2020
<i>Sunnydale Subtotal</i>	242	20,700,000	20,700,000	3,000,000	20,700,000		



Investment in Low-Income Housing – New Development

Low-Income Housing in San Francisco

Bond funds will allow the creation of at least four additional buildings in San Francisco which are 100% affordable to individuals and families earning less than 60% of the Area Median Income. Bond funds will accelerate new affordable housing production through quick release of funds.



Leveraging Federal and State Resources

Each dollar of bond funds used for new construction also leverages significant Federal and State funding, as demonstrated by the below.

	Affordable Housing Bond (First Issuance)	Total Development Cost (TDC)	Federal (A)	State (B)	Total Leveraged Funds (A) + (B)	Leverage Funds as % of TDC
250 Laguna Honda Predevelopment	\$ 1,974,731	\$ 73,531,431	\$ 1,490,000	\$ 17,293,720	\$ 18,783,720	26%
500 Turk Predevelopment	\$ 3,000,000	\$ 77,827,919	\$ 29,029,691	\$ 16,421,417	\$ 45,451,108	58%
4840 Mission Predevelopment	\$ 3,000,000	\$ 71,699,234	\$ 25,770,583	\$ 12,000,000	\$ 37,770,583	53%
1990 Folsom Acquisition & Predevelopment	\$ 7,025,269	\$ 102,761,383	\$ 29,910,574	\$ 19,000,000	\$ 48,910,574	48%

Mission Neighborhood Set-Aside NOFA

The Mission Neighborhood has been particularly impacted by increased rents and displacement. Neighborhood residents advocated for a set-aside for the Mission in the Bond proposal which went before the voters in order help preserve the neighborhood as an affordable community. Through a NOFA process concluded in September 2016, MOHCD selected 1990 Folsom for the Mission neighborhood development set-aside, a 143-unit family development with an artist workspace component that is greatly desired by community members. This initial identification of Low-Income bond funds for a predevelopment loan to 1990 Folsom adds to significant additional MOHCD investments in the Mission in recent years. Please see page 19 for status of 1990 Folsom project.

New 140-Unit Affordable Housing Project Coming to Mission District



The empty lot at 1990 Folsom St., where the Mission Economic Development Agency hopes to build 140 units of affordable housing. Photo by Joe Rivano Barros.

Low-Income Housing Predevelopment NOFA

In addition to the Mission set-aside NOFA, MOHCD also concluded its City-wide Low Income Housing competitive selection process in September 2016. MOHCD formally recommended predevelopment loans for three new multifamily developments that, together with 1990 Folsom, will bring more than 500 new affordable units to the Excelsior, Forest Hill, Mission, and Tenderloin neighborhoods. Through these loans, we anticipate building apartments for both families and seniors, and at least 20% of the units will be set aside for homeless and other special needs households. Amongst the four sites, there are also proposals for various community serving/public spaces.

MOHCD commenced underwriting of these predevelopment loans in Q4 2016, and the Citywide Affordable Housing Loan Committee approved a loan request for 500 Turk (Tenderloin) before 12/31/16 and for 1990 Folsom the first week of January 2017. The predevelopment loan for 4840 Mission was approved in May 2017. The additional loan request approval will follow in the coming months as entitlement and design issues are resolved.

Two projects responded to the NOFA and were not recommended for funding: a proposal to develop 2524 Lombard Street in the Marina, submitted by Community Housing Partnership, and a proposal to develop the corner of Ellis and Gough Streets on Cathedral Hill, submitted by John Stewart Company and Chinatown CDC.



Project Status Summaries

4840 Mission



Project Highlights

Total Bond Funding, First Issuance	\$3.0M (predevelopment)
Total Development Cost	\$71.7M

Project Update Highlights

- Developer: Bridge Housing
- Units: 114 family apartments, with 20%-30% set aside for homeless households
- Status: On 6/7/2017, \$3,000,000 was disbursed to Borrower to provide a portion of the purchase price for 4840 Mission.



Project Budget and Schedule (First Issuance Only)

June 2017 (highlighted cells show changes from December 2016 report)

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - June 30, 2017	Balance	Est. First Encumbrance	Est. Completion
4840 Mission - Predevelopment	114	3,000,000	3,000,000	3,000,000	-	Feb 2017	Nov 2021

December 2016

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - December 31, 2016	Balance	Est. First Encumbrance	Est. Completion
4840 Mission - Predevelopment	114	3,000,000	3,000,000	-	3,000,000	Feb 2017	Nov 2021

250 Laguna Honda



Project Highlights

Total Bond Funding, First Issuance	\$1.9M (predevelopment)
Total Development Cost	\$73.5M

Project Update Highlights

- Developer: Christian Church Homes and Northern California Presbyterian Homes and Services, in collaboration with the Forest Hill Christian Church, which is providing the land.
- Units: 150 senior apartments, with 20%-30% set aside for homeless seniors
- Status: The developer has submitted an Environmental Evaluation Application (EEA) to SF Planning for the preliminary proposed project. The developer is continuing to conduct due diligence on the site and neighborhood outreach. They have hired a geotechnical consultant to evaluate the site and adjacent hillside and have met several times with adjacent neighbors about the geotechnical scope of work. The architect is working on different massing scenarios to present to the neighbors which incorporate a preschool at the site. The District 7 Supervisor's office is providing resources for the preschool operator. MOHCD will take the predevelopment request to Loan Committee in Summer or Fall 2017.

Project Budget and Schedule (First Issuance Only)

June 2017 (highlighted cells show changes from December 2016 report)

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - June 30, 2017	Balance	Est. First Encumbrance	Est. Completion
250 Laguna Honda - Predevelopment	150	3,000,000	1,974,731	-	1,974,731	Sep 2017	August 2021

December 2016

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - December 31, 2016	Balance	Est. First Encumbrance	Est. Completion
250 Laguna Honda - Predevelopment	150	3,000,000	1,974,731	-	1,974,731	Mar 2017	Feb 2021



Project Highlights

Total Bond Funding, First Issuance	\$3.0M (predevelopment)
Total Development Cost	\$77.8M

Project Update Highlights

- Developer: Tenderloin Neighborhood Development Corporation
- Units: 122 family apartments, with 20%-30% set aside for homeless families (replacing a tire and auto repair shop)
- Status: Loan Committee has approved predevelopment loan and the project sponsor finalized site acquisition in January 2017. The sponsor is working on design and entitlements and preparing a focused Environmental Impact Report under CEQA. Construction is expected to commence in 2019.



Project Budget and Schedule (First Issuance Only)

June 2017 (highlighted cells show changes from December 2016 report)

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - June 30, 2017	Balance	Est. First Encumbrance	Est. Completion
500 Turk - Predevelopment	122	3,000,000	3,000,000	3,000,000	-	Jan 2017	Mar 2022

December 2016

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - December 31, 2016	Balance	Est. First Encumbrance	Est. Completion
500 Turk - Predevelopment	122	3,000,000	3,000,000	-	3,000,000	Jan 2017	Mar 2022



1990 Folsom



Project Highlights

Total Bond Funding, First Issuance	\$7,025,269 (acquisition and predevelopment)
Total Development Cost	\$102.7M

Project Update Highlights

- Developer: Mission Economic Development Agency and TNDC joint venture
- Units: 143 family apartments, with 20%-30% set aside for homeless families (replacing a vacant baked goods manufacturing plant)
- Status: MOHCD acquisition and predevelopment budget were revised and approved by loan committee in April 2017. Acquisition funds have been disbursed. Site permit drawings submitted to Planning July 2017.



Project Budget and Schedule (First Issuance only)

June 2017 (highlighted cells show changes from December 2016 report)

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - June 30, 2017	Balance	Est. First Encumbrance	Est. Completion
1990 Folsom - Acquisition (Low Income)		1,025,269	1,000,000	1,000,000	-	Apr 2017	Feb 2021
1990 Folsom - Predevelopment (Mission Set Aside)	144	2,000,000	3,622,300	3,622,300	-	Apr 2017	Feb 2021
1990 Folsom - Acquisition (Mission Set Aside)		4,000,000	2,377,700	2,377,700	-	Apr 2017	Feb 2021
<i>Subtotal</i>	144	7,025,269	7,000,000	7,000,000	-		

December 2016

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - December 31, 2016	Balance	Est. First Encumbrance	Est. Completion
1990 Folsom - Acquisition	143	-	1,025,269	-	1,025,269	Apr 2017	Sep 2021
1990 Folsom - Predevelopment	143	3,000,000	2,000,000	-	2,000,000	Feb 2017	Sep 2021
1990 Folsom - Acquisition	143	-	4,000,000	-	4,000,000	Apr 2017	Sep 2021
Project #2		3,000,000	-	-	-		
<i>Subtotal</i>	143	6,000,000	7,025,269	-	7,025,269		



Investment in Low-Income Housing – Rehabilitation of Small Sites

Description of Small Sites program

The Small Sites Program (SSP) is an acquisition and rehabilitation loan program for older, typically rent-controlled, buildings of 5 to 25 units. The program has been created to protect and establish long-term affordable housing in smaller properties throughout San Francisco that are particularly vulnerable to market pressure resulting in property sales, increased evictions and rising tenant rents. In the face of this increasing pressure on tenants, the City developed the Small Sites Program in order to support non-profit and for-profit entities to successfully remove these sites from the market and restrict them for the long-term. The overarching program goals are to:

- 1) Protect and stabilize housing for current tenants at a range of income levels, so long as at least 66% of the building's tenants have an average area median income (AMI) at or below 80%;
- 2) Remove SSP properties from the speculative market while increasing the supply of permanently affordable rental housing by restricting SSP properties to serve households with average incomes at 80% AMI;
- 3) Create financially stable, self-sustaining housing that serves multiple generations of low to moderate income households by ensuring that SSP properties operate with sufficient cash flow to adequately care for the property and repay debt obligations, including SSP loans, which the City will reinvest into future SSP properties.



Project Status Summary

- All but one project to be funded by first issuance has an executed loan agreement.
- Sites renovations are currently underway.
- Projects which were not able to move forward in a timely fashion will likely be funded by other sources. (greyed out projects)

June 2017

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - June 30, 2017	Balance	Est. First Encumbrance	Est. Completion	Total Development Cost
5030 3rd St		2,100,000	-					
199 Leland Avenue	6	1,700,000	1,414,000	-	1,414,000	Sep 2017	Nov 2017	3,200,000
534 Natoma		1,200,000	-					
2976 23 rd Street		1,100,000	-					
344 Precita	3	1,400,000	1,385,000	1,385,000	-	Mar 2017	Dec 2017	2,299,490
3198 24 th Street	8	3,700,000	4,050,000	4,050,000	-	May 2017	Dec 2017	6,390,000
3800 Mission	5	1,600,000	2,099,000	2,099,000	-	Feb 2017	Nov 2017	3,119,000
269 Richland	6	2,100,000	2,100,000	2,100,000	-	Mar 2017	Oct 2017	2,690,000
4042 Fulton	5	-	2,125,000	2,125,000	-	Mar 2017	Nov 2017	3,004,000
63 Lapridge	6	-	1,827,000	1,827,000	-	Apr 2017	Dec 2017	3,019,000
TBD		100,000	-	-	-			
<i>Small Sites Program Subtotal</i>	39	15,000,000	15,000,000	13,586,000	1,414,000			

December 2016

	Number of Units	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - December 31, 2016	Balance	Est. First Encumbrance	Est. Completion	Total Development Cost
5030 3rd St	4	2,100,000	2,100,000	-	2,100,000	Jun 2017	Dec 2017	3,900,000
199 Leland Avenue	6	1,700,000	1,700,000	-	1,700,000	Feb 2017	Jun 2017	3,200,000
534 Natoma	5	-	1,200,000	-	1,200,000	Feb 2017	Dec 2017	1,800,000
2976 23 rd Street	14	-	1,100,000	-	1,100,000	Mar 2017	Sep 2017	2,260,000
344 Precita	3	-	1,400,000	-	1,400,000	Feb 2017	Dec 2017	2,280,000
3198 24 th Street	8	-	3,700,000	-	3,700,000	Apr 2017	Dec 2017	5,700,000
3800 Mission	5	-	1,600,000	-	1,600,000	Feb 2017	Sep 2017	2,600,000
269 Richland	6	-	2,100,000	-	2,100,000	Mar 2017	Oct 2017	2,700,000
TBD		11,200,000	100,000	-	100,000			
<i>Small Sites Program Subtotal</i>	51	15,000,000	15,000,000	-	15,000,000			



Investment in Middle-Income Housing – Down Payment Assistance & Teacher Next Door

Why do middle-income households need help?



- San Francisco's median home price over \$1M
- High home prices requires a higher proportion of income for housing expenses
- High rent prevents middle income households from saving for a down payment
- Prior to Affordable Housing Bond, highest household income assisted was at 120% AMI

Annual Target Incomes (120% - 175% AMI)

- \$90K - \$131K for individuals
- \$103K - \$151K for a family of two
- \$129K - \$189K for family of four

Project Status Summary

June 2017

	Number of Loans	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - June 30, 2017	Balance
DALP Loan Expansion	9	2,900,000	2,900,000	2,714,100	185,900
Teacher Next Door	12	1,000,000	903,014	240,000	663,014
<i>Subtotal</i>	21	3,900,000	3,803,014	2,954,100	848,914

December 2016

	Number of Loans	Proposed Budget	Revised Budget	Amount Disbursed or Encumbered - December 31, 2016	Balance
DALP Loan Expansion	9	2,900,000	2,900,000	2,714,100	185,900
Teacher Next Door	8	1,000,000	903,014	160,000	743,014
<i>Subtotal</i>	17	3,900,000	3,803,014	2,874,100	928,914



Investment in Middle-Income Housing – Other Efforts in Future Issuances

- 15% of Seawall Lot 3221 devoted to middle-income units
 - Developer selection process complete and architectural work underway.
 - Construction loan closing estimated for FY 17-18, including \$7MM for middle-income units.
- MOHCD and SFUSD pursuing Teacher Rental Housing on site owned by SFUSD. Predevelopment funding issuance anticipated 2018.

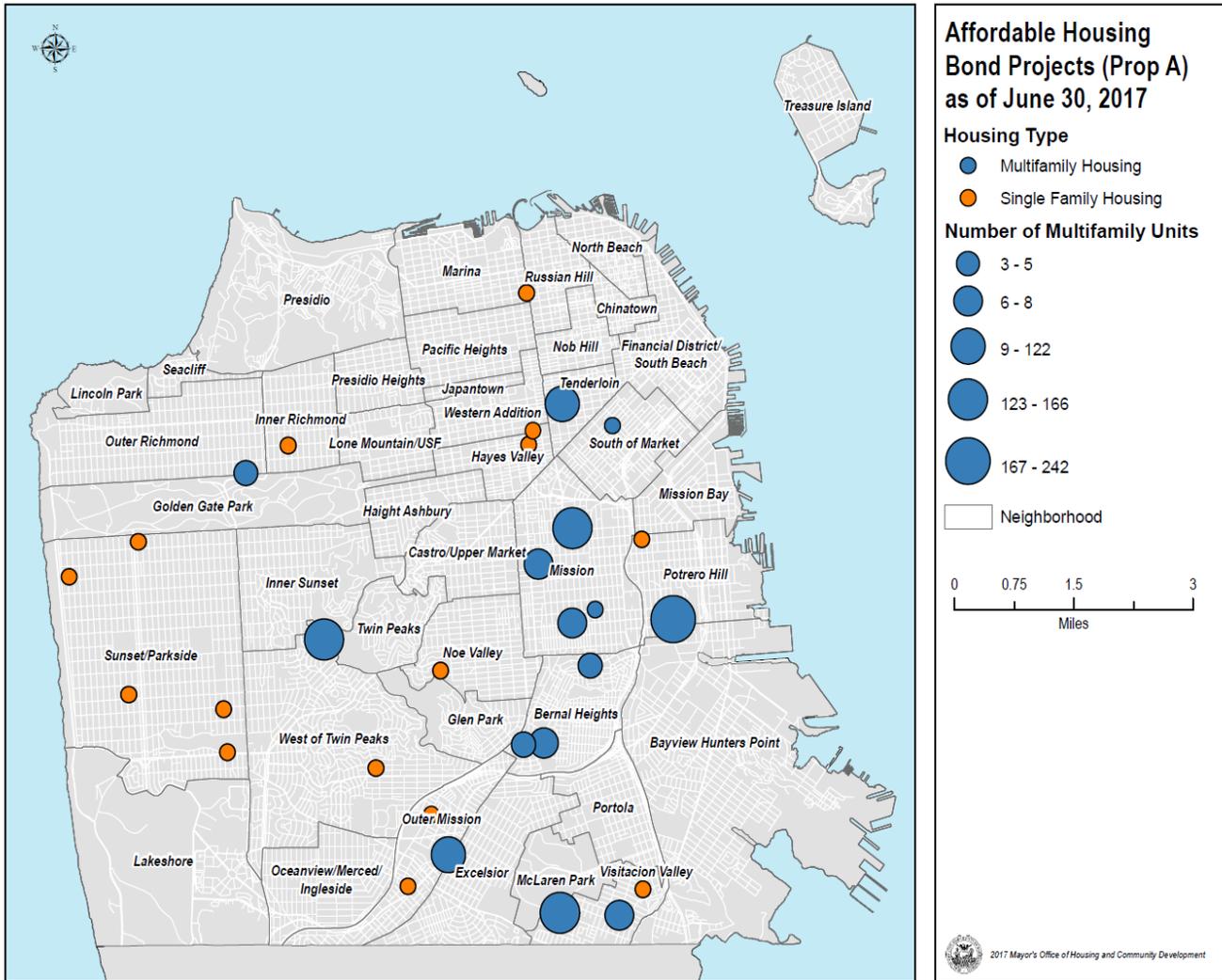


Specific Housing Bonds Uses, by Issuance

Affordable Housing GO Bond Spending Plan - Program Summary					
	First Issuance	Projected Second Issuance	Projected Third Issuance	Total	Units
Public Housing: \$80MM					
Potrero Acceleration	19,900,000	18,800,000		38,700,000	163
Sunnydale Acceleration	20,700,000	18,020,000		38,720,000	226
<i>Share of cost of issuance & incidentals</i>	<i>575,440</i>	<i>2,004,560</i>		<i>2,580,000</i>	
<i>Subtotal</i>	<i>41,175,440</i>	<i>38,824,560</i>	<i>-</i>	<i>80,000,000</i>	<i>389</i>
Low-Income Housing: \$100MM					
	First Issuance	Second Issuance	Third Issuance	Total	
Predev - Three projects	9,000,000			9,000,000	386
Small Sites Program	15,000,000	9,235,000		24,235,000	54
Acquisition & Vertical - Three projects			63,540,000	63,540,000	290
<i>Share of cost of issuance & incidentals</i>	<i>340,161</i>	<i>346,181</i>	<i>2,538,658</i>	<i>3,225,000</i>	
<i>Subtotal</i>	<i>24,340,161</i>	<i>9,581,181</i>	<i>66,078,658</i>	<i>100,000,000</i>	<i>730</i>
Mission Neighborhood Housing: \$50MM					
	First Issuance	Second Issuance	Third Issuance		
Predevelopment Costs	6,000,000			6,000,000	
Acquisition & Vertical Development		20,000,000	22,385,000	42,385,000	144
<i>Share of cost of issuance & incidentals</i>	<i>85,040</i>	<i>721,934</i>	<i>808,025</i>	<i>1,615,000</i>	
<i>Subtotal</i>	<i>6,085,040</i>	<i>20,721,934</i>	<i>23,193,025</i>	<i>50,000,000</i>	<i>144</i>
Middle-Income Housing: \$80MM					
	First Issuance	Second Issuance	Third Issuance	Total	
DALP Loan Expansion	2,900,000	2,900,000	8,700,000	14,500,000	49
Teacher Next Door	903,014	1,096,986	3,000,000	5,000,000	75
Middle-Income Teacher Housing		2,000,000	5,000,000	7,000,000	81
Middle-Income Production		31,000,000	19,920,000	50,920,000	44
<i>Share of cost of issuance & incidentals</i>	<i>53,902</i>	<i>1,537,883.94</i>	<i>988,214.46</i>	<i>2,580,000</i>	
<i>Subtotal</i>	<i>3,856,916</i>	<i>38,534,870</i>	<i>37,608,214</i>	<i>80,000,000</i>	<i>249</i>
GRAND TOTAL	75,457,557	107,662,545	126,879,898	310,000,000	1,512



Map of Affordable Housing Bond Projects



Metric of Success

The primary metric of success for the Affordable Housing Bond is number of units produced, protected, or assisted. We have estimated the projected number of affordable units through all phases of the bond process, and will track progress and provide regular updates accordingly.

It's important to note that new housing development in San Francisco can easily take five years from start to finish. Newly constructed public housing units are projected to be completed in 2019-2020, low income units are projected to be completed in 2021-2022, and middle income units may be completed in 2022-2023. The timing of the development process is largely out of MOHCD's control, as the developers of the projects are fully responsible for their own planning, permitting, design, public engagement, and construction. In future reports, we will be providing benchmarks of progress for each individual project.

Unit Production Summary as of 06/30/17

	Estimated Progress Toward Construction Completion	Affordable Units Completed	Projected Total Affordable Units
Public Housing	15%	0	389
Low Income Housing - Small Sites	15%	0	54
Low Income Housing Multifamily - Mission Set Aside	15%	0	144
Low Income Housing Multifamily	15%	0	676
Middle Income DALP	N/A	9	49
Middle Income TND	N/A	12	75
Middle Income Teacher Housing	10%	0	81
Middle Income Production	10%	0	44
TOTAL		17**	1,512

** Note 3 Middle Income Loans also received TND Loans. One of which received two TND loans as both borrowers were employed by SFUSD.



Glossary

Acquisition:	Costs associated with acquisition of real property
Estimated Completion:	Building completed and units leased
Infrastructure:	Costs which are secondarily related to housing development, including large-scale site grading, streets, sidewalks, utility work, etc. Predominantly needed in the HOPE SF context where we are creating entire new neighborhoods.
Master Planning:	Development of an overall strategy for the complete transformation of a public housing site. Master Planning work sets forth a comprehensive vision, schedule, communications plan, financing strategy, services program, and, most importantly, stakeholder participation process that highlights resident needs.
NOFA:	Notice of Funding Availability, a competitive process used to identify projects and developers
Predevelopment:	Costs prior to actual construction, including architectural, engineering, environmental, and permitting costs. May be related directly to housing development, or may be infrastructure predevelopment which supports
Vertical Gap and/or Vertical Development:	Costs starting with actual construction through and including occupancy and conversion to permanent financing

